

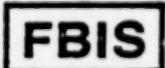
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4 SEPTEMBER 1986

USSR Report

WORLD ECONOMY AND INTERNATIONAL RELATIONS

No 5, MAY 1986



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4 SEPTEMBER 1986

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Except where indicated otherwise in the table of contents the following is a complete translation of the Russian-language monthly journal **MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA** published in Moscow by the Institute of World Economy and International Relations, USSR Academy of Sciences.

CONTENTS

English Summary of Major Articles (pp 158-159).....	1
Primakov on World Interdependence, New Party Program (pp 3-14) (Ye. Primakov).....	5
SDI Would Undermine Crisis Stability, Mutual Deterrence (pp 15-20) (R. Sagdeyev, S. Rodionov).....	19
Shakhnazarov on Economic, S&T Integration in East, West (pp 21-33) (G. Shakhnazarov).....	26
Tikhvinskiy on Asia-Pacific Security Issues (pp 34-44) (S. Tikhvinskiy).....	38
Capitalist Military Production and the Military-Industrial Complexes (pp 45-57) (L. Gromov, A. Nikolin) (not translated)	
West European Political Debates Over Economic Regulation (pp 58-71) (O. Timashkova, K. Voronov, G. Ponedelko).....	50
EXPERIENCE OF SOCIALIST INTEGRATION	
CEMA Economic Integration: Capital Investment (pp 72-79) (A. Belovich).....	66
CRITIQUE OF BOURGEOIS THEORIES	
Nature and Role of Money in Contemporary 'Bourgeois' Political Economy (pp 80-94) (V. Usoskin) (not translated)	

OUR COMMENTARY

- Spanish Political Developments Since Franco Surveyed (pp 95-101)
(I. Viktorov)..... 79

PLATFORM OF THE ECONOMIST AND INTERNATIONAL AFFAIRS EXPERT

- Economic Foundations of the Neocolonial System (pp 102-113)
(I. Yegorov, A. Solonitskiy) (not translated)

DOMESTIC POLITICAL LIFE ABROAD

- U.S. Democracy, Search for New Paths (pp 114-122)
(G. Rogova) (not translated)

SURVEYS, INFORMATION

- Singularities of the Competitive Struggle of the TNC (pp 123-131)
(A. Berezhnoy) (not translated)

- Special Drawing Rights as International Liquid Assets (pp 132-136)
(V. Surovtseva) (not translated)

- The Food Problem in Africa (pp 137-142)
(Ye. Kovalev, I. Svanidze) (not translated)

BOOKS, AUTHORS

- V. Gantman Review of "Contemporary U.S. Foreign Policy" (pp 143-144)..... 88

- L. Istyagin Review of L. Knorr's "War Once Again From German Soil?"
(pp 145-147) (not translated)

- L. Morozova Review of "The Finns: Class Portrait. Concept of Classes"
(pp 148-150) (not translated)

- Yu. Osetrov Review of S.I. Popov's "Anticommunism--Ideology and
Policy of Imperialism" (pp 150-151)..... 92

- E. Vasilevskiy Review of "United States: Problems of the Economics
and Organization of Engineering" (pp 152-153) (not translated)

- S. Epshteyn Review of Yu.B. Kochevrin's "The Evolution of Managerism.
Experience of Political Economy Analysis" (pp 154-155) (not translated)

- S. Sabelnikov Review of V.Yu. Presnyakov's "France's Export Strategy"
(pp 156-157) (not translated)

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ENGLISH SUMMARY OF MAJOR ARTICLES

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 5, May 86 (signed to press 11 Apr 86) pp 158-159

[Text] The article by Ye. Primakov "The XXVIIth Congress of the CPSU and Research in World Economy and International Relations" says that on the firm basis of the theoretical conclusions of this really outstanding forum of Soviet communists, the economists and researchers should undertake the profound study of the most crucial scientific problems of the contemporary development. The author outlines the new direction of the theoretical work which meets the requirements of the modern advancement of Socialism, the prospects of the peaceful coexistence of the opposite systems as the constituent element of the global economy.

The congress emphasizes the growing unity of the world, the deepening of interdependence, the special importance and urgency of the international economic security. The duty of the Soviet researchers is to work out the very concept of the economic security providing for further international discussion of this problem.

The major driving forces of the internationalization are described and the particular role of the scientific and technological progress is assessed. The realistic estimates of the international situation and also the investigation of the positive processes that can offset the dangerous tendencies become very essential.

The new political thinking should regard the international events not through the prism of the U.S.-Soviet relationships but must comprise also the regional and worldwide levels of consideration. The peace-loving political strategy elaborated by the XXVIIth Congress is becoming the recognized factor of international life. The modern world is very complex, dynamic and contradictory. The social sciences as political economy, philosophy, sociology play ever increasing part in the scientific understanding of the world.

Almost three years have passed since the Reagan administration announced its decision to create the global strategic defense system but the debates pro and contra the Strategic Defense Initiative have never stopped. R. Sagdeyev and S. Rodionov in the article "The Strategic and Economic Consequences of the "Strategic Defense Initiative" present a detailed overview of the real strategic values of the SDI and speculate upon its predicted economic efficiency considering the arguments of the highly positioned political and military figures

which back and appraise the SDI. Thorough analysis of the techno-economic parameters of the SDI reveals the limited efficiency of the space defensive shield developments. These developments can only contribute to the nuclear strategic party destabilization and can inflict economic losses on the initiator's part in the first place. The SDI incites the new round of arms race, raising its level to the truly space dimensions. No defense system of any kind is to provide for the establishment of the stable peace. That's why the Soviet Union expresses the substantiated alarm concerning these plans. The USSR undertakes the measures to prevent the arms race in space, the very possibility of the so-called "star wars".

G. Shakhnazarov in the article "Internationalization: Origins, Content, Stages of Development" traces the history of the objective process of internationalization and highlights its main features observed nowadays. On the firm basis, of Marxist-Leninist theory the author distinguishes the political, social and ideological origins of the examined phenomenon and its techno-economic prerequisites. The focal point of the paper is understanding of the concept "internationalization" both theoretically and practically. According to the author the definition of internationalization has to comprise such elements as the orientation, level and rate of development and the main driving forces of this process. The evolution of the global economic and political relationship, the development of the planetary thinking are outlined. Thus the definition of internationalization appears as a rapprochement of nations achieved by the increasing interdependence of all countries, a gradual formation of the single economic and cultural structure of the world community. Further the interrelation between the objective and the subjective factors of internationalization are identified and considered. The essential significance of the social content is emphasized, illustrated by the comparative investigation of the evidence concerning the EEC and Comecon countries. Special attention is given to the principal difference between the capitalist and the socialist patterns of integration. The internationalization goes on, but its advancement is rather contradictory. Today imperialism aspires to employ this trend in order to maintain and strengthen its domination. But the objective demands of humanity provide for the progressive struggle to turn the evils of interdependence into the all humanity gains. This is the way to consolidate in order to reach the new heights of the human civilization.

S. Tikhvinskiy in the article "For the Strengthening Security in the Asia and Pacific Region" notes that despite wide variety of sociopolitical systems, historical past, national traditions, levels and directions of economic development of their countries and peoples of the named region realize the definite commonness of destiny. They are interested in the maintenance of stable peace, acceleration of social progress, solution of global problems, provision of the maximum beneficial conditions for the further socioeconomic and cultural development, expansion of the regional cooperation. These goals can only be reached in the peacetime while the military conflicts and confrontation are avoided. Unfortunately the Far East and the Pacific are the places where hotbeds of international tension still exist. Moreover, the Asiatic Pacific is the region of the nuclear testing, inflicting environmental losses. Here huge amounts of nuclear weapons are concentrated. The author specially notes the U.S. aggressiveness growth in the region. The American foreign policymakers regard

this area as the place of the global confrontation of capitalism and socialism. Particular attention is given to the U.S. attempts "to natoize" Japan. The aggressive designs of imperialism frequently bring about the resistance of the non-alignment countries. The peace initiatives of the Soviet Union and other Asian socialist states gain special importance. These initiatives are targeted to counter the regional militarization, to offset the U.S. interference in the domestic affairs of the sovereign countries. The author stresses that even the partial realization of these initiatives could drastically diminish the level of the military confrontation in the region, serve the interests of the securing peace on the globe.

The article "The Capitalist Military Production and the Military Industrial Complex" by L. Gromov and A. Nikolin is aimed to examine the most important aspects of the activity of the reactionary part of the ruling class in the imperialist countries. It is emphasized that the capitalist military production is the economic basis that has given rise to the emergence, functioning and expansion of the military industrial complex, the latter being the principal source increasingly producing weapons and means of mass destruction. The military production provides for the fabulous profits for the "death manufacturers". Political factors actually play the predominant role in the development of the modern militarism. However the goals and the implications of the military industrial complex operations are to be determined to a considerable extent by the economic motivation. Material interests govern the activity of all military industrial complex components which strive for the incessant expansion of military preparations. The service function of the military industrial complex is closely connected with the military production as it is. In the domain of the capitalist economy the military industrial complex takes an active part performing the responsibilities of the state monopoly regulation. This complex works as a direct mechanism carrying out the functions of the state monopoly management. The military industrial complex serves the class interests of the bourgeoisie providing for the strengthening the apparatus of the armed violence. At the same time the unprecedented gains stemming from the fulfillment of the state orders spur up the military industrial complex operations as the generator of arms race, encourage the military industrial complex as the main organizer of the adventurist and aggressive policy under the conditions of the further deepening of the general crisis of capitalism.

Party and political struggle is the crucial factor influencing the socio-economic policy elaboration within the framework of the West European state monopoly capitalism. The contradictory economic evolution in Western Europe stipulates the vast variety of the different parties, approaches to the very idea and the current practices of the state regulation. O. Timashkova, K. Voronov and G. Ponedelko in the article "Western Europe: Political Struggle and State Monopoly Regulation of Economy" analyze the impact of the party divergence on the elaboration and the performing of the economic policy, observing the particulars of the West European countries. This is party pluralism that distinguishes West Europe from the U.S. The second characteristic feature is the peculiar broadness of the electoral corps. Thus the national economy and the strategic options open to the state manipulation are actually the battlefield of a vast variety of bourgeois, petty bourgeois parties and labor organizations. The most influential groupings of big business are

examined, emphasizing the "political presence" of monopolies in policy-making. Monopolies are often seen as the donors to different parties thus providing for the appropriate economic policy, meeting their business interests. The authors examine the relatively new phenomenon namely the polarization of the political structure when the strengthening of the right Conservative forces is countervailed by the rise of the left forces which attest vast democratic masses in the united antimonopolist movement. The position of different parties on the matters of the ways of the economic recovery are assessed. The most significant question here is the attitude towards the state property, the assessment of the state regulation economic role on behalf of various parties. The article also dwells upon the democratic alternative to the suggested moves proposed by the Communist parties which urges the radical socioeconomic reforms.

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PRIMAKOV ON WORLD INTERDEPENDENCE, NEW PARTY PROGRAM

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 5, May 86
(signed to press 11 Apr 86) pp 3-14

[Article by Academician Ye. Primakov: "The 27th CPSU Congress and Study of Problems of the World Economy and International Relations"]

[Text] The 27th CPSU Congress will undoubtedly go down in the history of our people, country and party as an event of outstanding significance. This was a congress of innovators. It demonstrated a truly creative approach to the solution of fundamental problems of the domestic development of the Soviet state and world development as a whole. Its conclusions form a sure foundation of a scientific study of the most complex, cardinal problems of the modern era.

Each participant in the congress could perceive in full its inimitable atmosphere. The unflagging attention with which the CPSU Central Committee Political Report delivered by M.S. Gorbachev was received. The high level of criticism and self-criticism. The speeches of the delegates, which were imbued with a truly state-minded approach. The congress made an in-depth and comprehensive evaluation of present-day realities--both domestically for the USSR and internationally--in their complexities and contradictions, determined specific development prospects and put forward effective recommendations and proposals. The congress demonstrated how important it is to view the various phenomena, processes and trends in a strictly scientific way, not adapting facts to outlines constructed in advance and not engaging in wishful thinking.

The 27th congress was held at a pivotal stage both in the life of our society and of development in the world as a whole. Characterization of world dynamics as pivotal is determined by the fact that the scale and, what is most important, extraordinary and, what is more, increasingly growing danger of the unsolved problems which had accumulated in the world had shown themselves particularly obviously in the first half of the 1980's. The main one is the absence of a sure barrier against a tightening of the nuclear confrontation of the United States and the USSR and NATO and the Warsaw Pact which has been imposed on us. As a result a real threat of the annihilation of human civilization has arisen. For this reason never before has the task of a radical recovery of the international atmosphere and the formulation of a system of measures capable of reliably countering the slide toward an all-destroying nuclear war arisen so acutely. And never before has the responsibility of the leaders of states, primarily the countries which are militarily the strongest, for the fate not only of their own and allied but all peoples of the world in general been so high.

In the sphere of the country's domestic development the necessity of change is connected with the urgent need for the maximum stimulation and use of the undoubted advantages inherent in socialism as a social-political system. The task of overcoming the negative phenomena in our society's socioeconomic development as quickly as possible and imparting to it the necessary dynamism and acceleration has arisen in full magnitude. It is a question of an increase over a 15-year period by a factor of almost two in the national income, given a doubling of production potential and a growth by a factor of more than two of labor productivity. Naturally, the accomplishment of such an unprecedentedly far-reaching task will require the mobilization for many years of all efforts--spiritual and material--which may be realized best given a normalization of the international situation and a halt to not only the most dangerous but also costly arms race.

The CPSU Central Committee Political Report says: "Our task is to comprehend the times in which we are living broadly and in Leninist fashion and formulate a realistic, comprehensively considered action program which organically combines greatness of goals and realism of possibilities and the party's plans with the hopes and cherished aspirations of each individual." It was this approach which guided the party when it drew up the action program in the foreign policy sphere.

It is not fortuitous that the documents and material of the congress speak repeatedly of man and general problems. This reflects the fact that the working class, the party armed with its ideology, the first state of all the people and world socialism invest themselves with responsibility for the destiny of all mankind. And it is this which manifests in most concentrated form the essence of the CPSU's approach to the modern trends and phenomena of both domestic and international life.

I

A whole number of the conclusions formulated by the congress and the creative problems which it raised has a direct bearing on the tasks of a study of the world economy and international relations.

It is primarily a question of the nature of the modern world and the dialectical unity of its two parts--socialist and capitalist. While relying methodologically in our studies on the law of the unity and struggle of opposites we often do not pay sufficient attention to their unity, in other words, to the context in which this struggle occurs. Yet the opposite systems developing in accordance with their own laws exist largely in an integral world, which is characterized here by increasingly great interdependence, interconnectedness and unity.

A certain set of criteria of such unity and interconnectedness exists. It may be considered that the principal one under present conditions is manifested in the military-political sphere. This is the common problem of survival. This problem has been set mankind on the one hand by the appearance and qualitative improvement of weapons of mass annihilation and, on the other, by the policy of the imperialist powers, primarily the United States, which has engendered an arms race and the rigid nuclear confrontation of the two opposite social-political systems.

In the economic sphere the reflection of the wholeness and growing interconnection of the world is the functioning of the worldwide economy. A number of works have been written in the USSR in recent years analyzing the regularities which determine its wholeness. At the same time it is obvious that the formulation of this question at the congress demands a more in-depth study of these regularities and laws immanent to the worldwide economy and existing alongside the specific laws inherent in any one mode of production--either socialist or capitalist.

This problem has yet another definite aspect, whose importance is not confined to theoretical formulation. In the light of the congress' conclusions it would seem necessary to pay more attention to study of the processes occurring in the capitalist part of the worldwide economy or in the world capitalist economy from the viewpoint of their impact on the Soviet economy and the economy of the socialist community countries also--both in the near and more distant future. Among such processes brought about by the impact of a whole number of factors are inflation, the dynamics of the price of raw materials and agricultural and industrial products and the instability of currency exchange rates. It is well known, for example, that the factors which have in recent months determined the sharp fall in the price of oil have been engendered and are operating within the framework of the capitalist system. However, the negative influence of this fall is spreading to the Soviet economy also.

The congress also throws new light for Soviet economic science on such a task as study of the problems of the efficiency of the USSR's bilateral economic relations with capitalist countries and also relations on a multilateral basis, along CEMA-EEC lines, for example. It is a question also of the development of various forms of such relations contributing to their increased fruitfulness, particularly in the plane of the development of S&T progress.

The question of the international economic security of all states and the neutralization of everything weighing down the development of world economic relations, which was raised by the 27th congress, is closely connected with the establishment of the growing unity of the world. This task is not confined to a democratization of the economic ties of the center of the world capitalist economy to its "periphery," which is naturally extraordinarily important, but

also incorporates the elimination of all artificial restrictions of economic relations along East-West lines, a general expansion of trade and S&T cooperation and also questions of the interconnection of disarmament and development, which are becoming of increasingly great consequence both in terms of their significance and urgency. There is no doubt that a duty primarily of economists-international affairs experts is the development of the concept of international economic security within the framework of preparations for a world economic security congress, the idea of which was advanced in the Political Report to the 27th congress.

The unity of today's world is also emphasized by the fact of the existence of general problems, which may only be solved by the efforts of all peoples and states, regardless of their social system.

The congress posed in a new creative aspect the question of the contemporary driving forces of mankind's progress. They are primarily the social progress

which was initiated by the Great October Socialist Revolution--a process of man's social and spiritual liberation. "The progress of our times," the CPSU Central Committee Political Report to the 27th CPSU Congress observes, "is rightly identified with socialism. World socialism is a powerful international formation and is based on a highly developed economy, a substantial scientific foundation and reliable military-political potential. It is more than one-third of mankind and dozens of countries and peoples proceeding along the path of the comprehensive disclosure of the intellectual and moral resources of man and society."

Socialism is not only an actually functioning system but also a model of the future of all mankind, it is the goal toward which it is progressing and a real opportunity afforded the whole world. At the same time, however, the congress' documents show that the movement toward this goal is not conflict-free and not rectilinear. Difficulties of the movement toward socialism are arising both as the result of objective (different starting level of economic and social development and different structures and historical and national traditions) and subjective factors (mistakes in policy and a variety of deviations). Examination of the process of socialist building in all its complexity contributes to the soundness not only of retrospective evaluations but also forecasts of the development of individual socialist countries united by common principles and aims, but preserving their undoubted specific features. I would like to emphasize particularly the influence which has been exerted by the "starting level" or insufficiently developed material basis, as, equally, the "traditional factor," on the distinctiveness of the movement toward socialism of certain Asian countries, intensified by certain subjective features also. Equalization of the economic levels of different socialist countries will contribute to the development of the process of rapprochement between them.

Anticolonial revolutions, national liberation movements and the young or revived states which have emerged as a result thereof are, together with world socialism, a factor of social progress.

Social progress is expressed in the development of the international communist and workers movement and the spread of the mass democratic movement of the present-day, including the antiwar and antinuclear movements. Although they are all diverse, this, as the congress put it, is by no means synonymous with discreteness.

Finally, social progress is manifested in the stratification of political forces in the capitalist world, including the United States. This stratification is proceeding not only along social but also political lines.

The 27th congress contributes, as we can see, new features to theoretical development, arranges new emphases and reveals new dimensions in the concept of social progress. This is undoubtedly of great significance for an extended investigation of the revolutionary process in the modern world, for a study of all that on the one hand leads to the development of an objective sociopolitical revolutionary situation in the developed capitalist countries and, on the other, hampers such development included. The question of the need for a comprehensive investigation of the changes which the subjective factor of revolution--the working class and its party--are undergoing arises even more pointedly.

Another force of the progress of mankind is the S&T revolution. In the Political Report it is viewed dialectically both as a common regularity of the development of the present-day productive forces under socialism and under capitalism (which made it possible to call it the driving force of general progress) and as a process leading to different results depending on the social system within whose framework it is developing. This is a truly Marxist-Leninist approach regarding the productive forces as being relatively independent of and simultaneously in organic interaction with production relations.

The existence of common regularities inherent in the process of the development of the productive forces affords an opportunity for taking advantage of certain aspects of the economic experience of the capitalist countries in our economic building. Particular significance here is attached to study of the mechanism of absorption of the results of S&T progress by the production associations and the economy in general. It is obviously necessary to study thoroughly and in depth questions of the organization, management and financing of R&D by private capitalist producer-companies and the growing influence of the consumers and small organizational forms (promotional firms and so forth) in determining the nature and areas of utilization of technical and technological progress. Also in need of specific development are such subjects as the role of the capitalist state in fundamental and long-term research, the organization of and support for the most promising and profitable directions of the development of S&T for a given country and the forms and methods of such state activity in the economic, administrative-legal and political spheres. Study of the organizational and managerial structure of science, particularly in questions of its greatest approximation to the accomplishment of priority S&T tasks and acceleration of the introduction of the results of scientific activity in production, deserves particular attention.

Study of the question of the S&T revolution under the conditions of capitalism is extraordinarily important. V.I. Lenin showed that the emergence and development of monopolies under capitalism engenders a trend toward stagnation. However, he cautioned that this trend is not absolute. The monopolies, spurred on by competition, are themselves often generators of S&T progress. The Political Report to the 27th party congress says in this connection: "It is true that even the present stage of the general crisis does not entail the absolute stagnation of capitalism and does not preclude possibilities of the growth of its economy and the assimilation of new S&T directions." Consequently, it is a question not of the occlusion of the productive forces under capitalism. Its harmful role is that the capitalist system of social relations directs technical progress into the channel of militarism, creating a mortal threat to mankind. Simultaneously this system is the reason for the extremely negative results for the working people which often accompany the development of S&T progress in the West.

It is essential to realistically take account of the fact that the economy of capitalism has entered a new stage of the S&T revolution. Processes of an acceleration of S&T progress in the developed capitalist countries have come to light. The leading directions in the process of this acceleration are microelectronics, information science, production of new materials, biotechnology and others. A particular advantage of microelectronics is the simultaneous coverage of all components and phases of both material and nonmaterial production. The introduction of microelectronics entails a sharp increase in the flow and role of

information, which, as a whole, presupposes the increased flexibility and efficiency of the entire production structure. Widening the boundaries of automation and extending it to many new spheres, the successes of microelectronics are leading to a sharp reduction in the expenditure of live labor, economies in constant capital, an increase in the equipment-use factors, a reduction in the need for production space and auxiliary processes and services and the nondisruptive flexible readjustment of production.

The unfolding of the new stage of the S&T revolution is putting on a practical plane the transfer of the economy of the leading capitalist countries in roughly the next 20-25 years to an entirely new technical and technological production base.

Quite recently even, in connection with the diminution in the 1970's-start of the 1980's in the rate of increase in labor productivity in the economy of the leading capitalist countries (in the United States and Great Britain to the greatest extent), we observed a slowing of S&T progress therein. The reason for this slowdown was primarily the crisis phenomena which had shaken the world capitalist economy in the 1970's and the start of the 1980's: the 1974-1975 and 1980-1982 cyclical economic crises, structural crises, particularly the energy and ecological crises, and the high level of inflation. But these same crisis phenomena forced the ruling class of the imperialist countries at all levels of its activity--from private entrepreneurship through the sphere of state regulation--to seek ways and methods of overcoming the difficulties and contradictions which had arisen. Conservative versions of "deregulation," which were aimed at support for private entrepreneurial activity, particularly of the major companies, and the transposition of the burdens pertaining to resolution of the crisis phenomena onto the working masses at large, were adopted at the level of state-economic policy. At the private entrepreneurial level this intensified in the major monopoly companies processes of adaptation to the new economic situation, primarily on the path of radical changes in the technical and technological base of production.

The 27th congress emphasized the relevance of the most important Marxist conclusion that capitalism, in developing, denies itself. The motion of capitalism proceeds via the development of the entire sum, entire complex of its immanent contradictions--between labor and capital, between transnational companies and the national-state form of the political organization of society, between imperialist states, between imperialism and the developing countries and peoples and so forth. The intensification of the general crisis of capitalism is manifested in all this. The congress showed convincingly that this crisis is developing not only and not so much as a result of the action of external factors (this, naturally, in no way diminishes the impact of world socialism) but as a result of the exacerbation of the internal antagonistic contradictions of capitalism.

Capitalism denies itself because its development is inevitably leading to increased social stratification and social injustice. In the United States, for example, 10 percent of the "top" families in the property hierarchy have 25 times more income per capita than the 10 percent of the "bottom" families. There is a sharp growth of unemployment, which is the most significant indicator of the increased gap between the "top" and "bottom" in terms of position in the social hierarchy. From 1951-1955 through 1981-1985 the number of unemployed in all capitalist countries grew by a factor of 3.8, and in the United States fourfold.

Upon an examination of the contradictions of capitalism the emphasis used to be put on one aspect--the withering away of the old--and to a considerably lesser extent on the new forms of movement of these contradictions. Yet in the formulation of the question by the congress, which is extraordinarily important for international affairs scholars, the contradictions not only pass judgment on the old but are also a source of development.

Study of the quickening process of the further internationalization of production and capital, which is a principal characteristic of contemporary capitalism, is important in this connection, for example.

The concentration and centralization of production and capital have always been a law of the development of capitalism. It may be considered today that they are being practiced to a large extent on an international scale. The socialization of production has reached an even higher level. It is perfectly natural that it is a question here not of the creation of a "supertrust" encompassing the entire world capitalist economy. However, how really to describe the developing processes, what are their limits, in what specifically is the dialectic of the national and international in present-day capitalism manifested? This problem still awaits investigation. In any event, we obviously cannot be completely satisfied with the level of the works in which this dialectic is analyzed.

The Political Report employs the term "transnational monopoly capital". Indeed, this is a new and rapidly growing phenomenon. Statistics show that in terms of numerical strength, scale of activity and development dynamics multinational monopolies are manifestly inferior to transnational corporations [TNC]. At the same time a trend toward the stimulation of "local," in other words, foreign capital is developing in the TNC themselves. The constantly changing correlation of TNC direct and portfolio investments in favor of portfolio investments testifies to this, in particular. A rapid process of the creation of transnational banks is under way, and a trend toward the merger of transnational industrial and transnational banking capital is being manifested. However, it would seem that it is still too early to speak of the formation and functioning of transnational finance capital.

At the same time transnational capital cannot be regarded in isolation from its "national" base: investments in the country where the TNC headquarters are located (this applies to the overwhelming majority) exceed their transnational investments. The main economic decisions are made in these same headquarters. At the same time, however, the TNC are continuing to successfully use in their own interests the states where they are based. Under such conditions it is extraordinarily important to study in depth the nature of the transnational capital operating simultaneously in many states.

In the analysis of the dialectic of the national and international in the development of present-day capitalism particular significance is attached to the problem of the correlation between the reproduction process within a national and transnational framework. What are the dynamics of the changes in this sphere? Is there a certain stability of the correlation of these two parts of the TNC's reproduction process or is this correlation highly mobile?

It is perfectly natural that the next level of investigation is an examination of transnational capital in the context of the unity and struggle and cooperation and rivalry of the three centers of imperialism--the United States, West Europe and Japan. A further step of approach toward the specific is an analysis of the dynamics of the internationalization of production within the framework of the entire world capitalist economy with the inclusion here not only of transnational capital but also other forms of international exchange in the "center," between the "center" and the "periphery" and also on the "periphery" itself of the world capitalist economy. Study of this entire complex will undoubtedly help reveal the new features which characterize present-day capitalism.

The dialectic of the national and international in the development of contemporary capitalism is related directly to its general crisis and putrefaction and, ultimately, preparation of the soil for the new system--socialist. And in this plane also capitalism is developing not only via the exacerbation of its old contradictions but also the appearance of new ones like, for example, the TNC's conflicts with national sovereignty, the national-state form of the political organization of society and with "domestic" state-monopoly capitalisms.

One further problem requires extended analysis--the contradiction between the "center" and "periphery" of the world capitalist economy. Currently it is distinguished by considerable seriousness and is being manifested dissimilarly. Even following the collapse of the colonial system the developing countries remain an object of exploitation on the part of the former metropolises, now practiced in new, neocolonialist forms. This exploitation, superimposed on the inertia of long-standing backwardness, has led to the developing world as a whole being unable to reduce the 11-fold lag in its economic level behind the developed capitalist states. Several "UN development decades" provided for various prescriptions of the accelerated growth of the productive forces in the developing world, but they have not produced the desired results.

At the same time there has in recent years been increased differentiation in the world of emergent states itself, which has led to certain of them, particularly countries with a developed export sector, showing a high rate of increase in production growth and others--approximately 30 of them according to UN statistics--going "under". But even the countries which are developing quite rapidly along the capitalist path nonetheless cannot unequivocally be regarded as a reserve of world capitalism since they are introducing new contradictions to the world capitalist system.

It is perfectly obvious that the state and prospects of world capitalism may be studied only on the basis of Marxist-Leninist dialectics, showing in what way the processes occurring in the capitalist economy are not choking its development but multiplying its contradictions and frequently "rejuvenating" these contradictions, but by no means capitalism itself. As a result changes are occurring in the production relations of capitalism also, given preservation of their fundamental essence. "Present-day capitalism, whose exploiter nature has not changed, is largely different from what it was at the start and even in the middle of the 20th century," the 27th CPSU Congress emphasized.

II

From the first day of its existence the Soviet state has set the goal of the establishment and consolidation of peace in the world. Continuity and consistency of this course have always been and remain the strongest aspects of CPSU activity. At the same time the Political Report emphasizes with every justification that "continuity in foreign policy has nothing in common with a simple repetition of the past, particularly in the approaches to accumulated problems." These problems include:

the unchecked arms race, which is bringing mankind to the brink of self-annihilation; and the prospect of strike weapons being put in space, which increases the threat to peace many times over and could make the arms race on earth irreversible;

regional conflicts capable as detonators of blowing up the present, albeit relative, stability at the global level;

the accumulated mistrust between states corroding the fabric of international relations;

global problems which are still far from being solved: the ecological, energy and raw material problems, the problem of hunger and the problem of the mass spread of disease;

the backwardness of the former colonies and semicolonial territories given the undiminishing gap between them and the former metropolises, intensified in a number of developing countries by the unfavorable demographic situation; the continuing exploitation of the emergent countries, in particular, the huge accumulated debt, which is hanging over them like a sword of Damocles.

Can these and other most serious problems be solved by practically repeating the steps which have been taken in the past? The 27th congress clearly confirmed the need for a stimulation of all available possibilities for their solution, utilizing new methods, means and approaches included. Particular significance for international affairs scholars is attached here to a realistic evaluation of on the one hand the factors which have brought about a most dangerous development of the international situation and, on the other, the forces, processes and trends capable of performing a positive role in its recovery.

Imperialism has not changed its essence. As before, it is engendering militarism, hegemonism and aggressiveness, which is being manifested particularly in the foreign policy of the United States and a number of other capitalist countries. But it would be wrong today to proceed solely from such evaluations. A historic gain of world socialism is not only the creation but also the guarantee of military-strategic parity between the USSR and the United States and the Warsaw Pact and NATO. This cannot fail to be reflected in the present possibilities of imperialism. They have manifestly diminished in the international sphere, and the leaders of the capitalist world are having to reckon with this. An increasingly great understanding of the suicidal outcome to which even the simple continuation of the present negative processes in international life could lead is also contributing to a certain stratification among the ruling circles of developed capitalist states.

Nor can the capitalist coalition confronting us be seen as a single whole. The United States, which occupies the most extremist position on a number of international issues, does not enjoy the unconditional support of all its allies, particularly in policy which precludes compromise solutions.

Despite the fact that the manipulation of public opinion is practiced on a large scale in the capitalist world, it has not lost its significance and its certain influence on the process of the formulation of foreign policy decisions. Under conditions far removed from "class peace" and in an atmosphere of struggle between the bourgeois parties themselves the captains of the capitalist system cannot completely ignore public opinion and disregard it altogether.

The CPSU is paying particular attention to the effective interaction of all the socialist countries and the entire communist and workers movement, which is leading unswervingly to a growth of the potential of peace.

It has to be concluded that as tension grows and the threat to general peace increases, the wide spectrum of political and public forces consciously or objectively acting in the interests of a recovery of the international situation is assuming increasingly great proportions. Among the latter are the nonaligned movement, many emergent countries, individual or uniting in various groups, championing the principles of a stabilization of the world situation and democratization of the entire system of international relations, trade unions of various nuances, numerous nongovernment organizations and a whole number of pacifist movements. The success of the struggle to consolidate peace will largely depend on the intensiveness of the antiwar activity on the international scene of forces differing in character.

Soviet foreign policy strategy proceeds from all this.

The 27th CPSU Congress formulated the conceptual principles of the creation of an all-embracing system of international security.

On what could this system be based? The congress drew a historically important conclusion concerning the need for renunciation of the present system of restraint based on military-technical means. No state is in a position to reliably protect itself solely with the aid of the most powerful defenses--even if it is possible to achieve military superiority to the other side. With regard for the nature of modern weapons the sole method of ensuring security are political means, in other words, accords with regard for the sides' interests for the purpose of halting the arms race and stabilizing the world situation.

Currently security is being built, to call things by their proper name, on fear in the face of retribution. It is well known that it was not our country which initiated such a method of ensuring security, however, under the conditions of the unchecked arms race inspired by Washington the USSR was forced to do everything possible to catch up with the United States in this "region" and then maintain parity in the military-strategic sphere. At the same time the Soviet Union has never considered this situation ideal or even acceptable and advocates a lowering of the parity level, given preservation of the sides' equal security.

The CPSU has adopted a policy of an immediate breakthrough on the main axis for the purpose of excluding nuclear and other types of weapon of mass annihilation from the military-strategic balance. A most important proposal of the USSR on the complete and universal elimination of such weapons is contained in the 15 January 1986 statement of the CPSU Central Committee general secretary. No state has ever before presented such a comprehensive, multifaceted and at the same time detailed set of proposals, whose implementation would in practice close all doors to the arms race. It is also the first time in history that goals, the main one of which is the universal and complete liquidation of nuclear weapons, are not simply proclaimed but a time frame of their gradual achievement is determined.

The alternative to the policy adopted by our party can only be an unchecked arms race both quantitatively and, which is even more dangerous, qualitatively. As a result the problem of maintaining the sides' equal security would ultimately result in the problem of the equal danger to them. The Central Committee Political Report notes the amorality and absurdity of such a situation. Continuation of the arms race will inevitably bring this "equal danger" to limits where the situation in the world ceases to depend on the prudence and will of politicians, and the destiny of mankind will be handed over "in trust" to technology with the all ensuing possible fatal consequences. The congress concluded: given continuation of the present trends, military-strategic parity will in time be unable to perform the function of restraint.

Another principle on which the Soviet concept of security is based is exclusion of the possibility that one side could secure its interests to the detriment of the other. If we are speaking of relations between the USSR and the United States, the security of both sides must be only mutual and only given consideration of the interests of each.

The Soviet concept of security is at the same time not confined to relations between the USSR and the United States, however important they may be. The congress put on the agenda the question of the need to embark on the creation of an all-embracing system of international security.

First, it must be based on political accords not only at the global but also at the regional level. Great significance would be attached in this respect to the joint quest for ways of solving regional conflicts--in the Near East, in Central America and in Southern Africa--everywhere centers of military danger exist.

Second, the CPSU conceives of the creation of such a system not only with the aid of measures of military detente, although, naturally, meliorative specific measures in the military sphere are of paramount significance: it is sufficient to say that, not underpinned by intensive military detente, the detente process of the 1970's did not withstand the confrontation with the subversive actions of militarist forces. As a foundation the Political Report designates together with measures in the military sphere actions in the political, economic and humanitarian spheres. It is a question of the creation of a strong and broad foundation of international security capable of bearing the load of the contradictions and unsolved problems which have accumulated over many years.

Third, measures to stabilize peace must be implemented immediately. While recognizing the importance of all directions of the struggle for a recuperation of

international life the Soviet concept of security proceeds from the fact that the main thing is the struggle for a halt to the arms race. Neither the problem of accords on a political settlement of regional conflicts nor the process of confidence building between states of the two systems can be counterposed to this struggle, which is designed to reliably close off the main source of the threat to peace. It has to be seen also that positive changes in the sphere of a reduction in and subsequently the liquidation of nuclear weapons would contribute to the accomplishment of other urgent tasks of world politics also.

The congress' formulation of questions of an all-embracing system of international security confronts international affairs scholars with most serious tasks.

The most dangerous situation of nuclear confrontation demands new political thinking. M.S. Gorbachev spoke about this in Geneva. This idea was confirmed and developed in the material of the 27th CPSU Congress.

Back at the dawn of the existence of the world's first socialist state V.I. Lenin spoke of the priority of the interests of social development. It was he who drew the conclusion concerning the possibility and necessity of the socialist state's peaceful coexistence with the capitalist states, which incorporates as an important element their constructive cooperation in various spheres. Given the existence of the present weapons of mass annihilation and the threat of nuclear war, under conditions where the survivability of mankind and the further progress of civilization depend on the joint efforts of states with different social systems within the framework of the two-in-one world, extraordinary significance is attached to Lenin's theory of peaceful coexistence.

It may obviously be concluded that under the current conditions the element of the normalization of relations and cooperation between states of the two systems is being introduced increasingly actively to the concept of peaceful coexistence. It is thus a question not only of the exclusion of war from the life of society but also of renouncing rigid power forms of confrontation and behaving with restraint and circumspection on the international scene.

Under current conditions the confrontation between capitalism and socialism could objectively proceed exclusively in forms of peaceful competition and peaceful rivalry. Foreign policy under these conditions cannot be a sphere of ideologization, as those in the United States who are directing it against socialism as a system are attempting to make it. Our party's basic document--the program--says: "The CPSU will purposefully promote the universal establishment in international relations of the principle of peaceful coexistence as the generally recognized rule of interstate relations observed by all. It considers impermissible the extension to the sphere of these relations of ideological contradictions between the two systems."

The new political thinking proceeds from the need for recognition of the existence of the objective interests of different countries, a quest for fields of the concurrence of such interests and then actions for the purpose of their rapprochement. This formulation of the question demands of international affairs scholars the development of concepts of both objective national interests and their class gradation.

The new political thinking must incorporate a correct attitude toward the objective process of sociopolitical development in the world. Marxism-Leninism has always proceeded from the fact that prompting revolution from outside is futile and impermissible. At the same time, however, no one is capable of artificially, by way of the export of counterrevolution, preserving the sociopolitical status quo in the world.

In this connection it is extraordinarily important to abandon the examination of the events occurring in various regions through the prism of American-Soviet confrontation. It is well known that back in the times of U.S. Secretary of State J.F. Dulles a theory was advanced according to which any process in the world not corresponding to U.S. interests was regarded as the formation of a "vacuum" inevitably "filled" by the Soviet Union. The objective and deep-lying socioeconomic and political processes developing in the modern world, the first cause of which is totally unrelated to the confrontation of the USSR and the United States, are ignored given this formulation. When in the course of the historical process a revolutionary situation arises in this country or the other, this has nothing in common with the mythical "activity of Moscow," which is allegedly implanting anti-American regimes. It should also be noted that revolutionary governments are attuned against Washington not automatically--such is their reaction to the United States' support for the counterrevolution.

At the same time, however, a realistic evaluation of the true causes of this regional conflict or the other is important for joint or parallel measures of the two powers--the USSR and the United States--aimed at the creation of conditions conducive to their settlement. A mutual aspiration to such a settlement and specific actions which could help achieve this are one of the surest means of an improvement in the international situation.

The party's foreign policy strategy formulated by the 27th congress is becoming an active factor of international life. Its principles are designed to be introduced in political relations between states. The USSR's specific proposals pertaining to a normalization of the international situation have been put on the negotiating table and have become the property of the world community. However, an adequate response from the other side has not followed yet. In addition, there has been an increase in demonstrative gestures by the U.S. Administration attesting the absence of an intention to consent at the present even to a cardinal change in its position.

It has to be said that our party is not counting on the possibility of instantaneous radical changes in relations with the United States. "The militarist, aggressive forces would prefer even now, of course, to freeze and perpetuate the confrontation," M.S. Gorbachev observed in his speech at the closing of the congress. "But what should we do, comrades? Slam the door? It cannot be ruled out that it is toward this that we are being pushed. But we are well aware of our responsibility for the fate of the country and the fate of peace. And for this reason do not intend playing into the hands of those who would like to force mankind to accustom itself to the nuclear threat and the arms race."

Thus clearly is our path drawn--a path of long and persevering struggle to realize the Soviet strategy of peace.

The modern world is more complex and interconnected and dynamic and contradictory than ever. Whence the particular importance of its scientific cognition and the application of Marxist-Leninist dialectics and a systemic approach to an analysis of social phenomena. This dictates the particular role and responsibility at the current stage of development of the social sciences, including economics, philosophy, sociology and political science. This is why the tasks set by the 27th party congress pertaining to a stimulation of the social sciences are of such great significance both for the development of the theory and the practical activity of the CPSU and the Soviet state.

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SDI WOULD UNDERMINE CRISIS STABILITY, MUTUAL DETERRENCE

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 5, May 86 (signed to press 11 Apr 86) pp 15-20

[Article by Academician R. Sagdeyev and S. Rodionov: "On the Question of the Strategic and Economic Consequences of the SDI"]

[Text] Three years have elapsed since the R. Reagan administration declared its intention to create a global strategic defense system designed to render nuclear weapons "obsolete and useless". And there has been no letup all 3 years in the debate surrounding this decision, as, equally, surrounding the "strategic defense initiative" (SDI) program proposed by the administration for the development of a broad-based antimissile system with space-based components.

But the nature of the debate has changed with the passage of time. At the first stage critics of the administration's actions showed convincingly that the desire to create a "total shield" against all nuclear weapon delivery systems is an illusion, at least, in the foreseeable future. And not only, furthermore, because the specifications of individual components of such an "ideal defensive system" could prove beyond the limits of technical possibilities (in a number of instances it is indeed still a very long way to the desired level) but primarily as a consequence of the fact that the efficiency of an antinuclear shield could be reduced sharply by countermeasures by the other side.*

Currently both the opponents of SDI and its supporters agree (with the rare exception) that the outcome of this program could be at best a defensive system of limited efficiency incapable of tackling the task of defense of the entire country and affording an alternative to the principle of "mutual nuclear restraint," which at this time determines the strategic stability in the world. We would emphasize in this connection that, granted abandonment of the total antinuclear shield concept, abandoning the principle of "mutual nuclear restraint" is impossible.

* For more detail see, for example, the works "Broad-Based Antimissile System and International Security. Report of the Committee of Soviet Scientists in Defense of Peace and Against the Nuclear Threat," Moscow, 1986 and "Directed Energy Missile Defense in Space. A Background Paper, U.S. Congress Office of Technology Assessment," Washington, 1984.

In addition, the deployment of such a limited system by one side would inevitably lead to a sharp destabilization of the strategic balance and inevitably spur competition with offensive forces, which are economically considerably more efficient.

The supporters of SDI soon preferred to avoid discussion of the strategic and economic aspects of the program, referring to the fact that prior to its completion (when the appearance of the future antimissile system has been developed) such discussion would appear insufficiently specific.

But the discussion did not pass without trace. A reflection thereof was, inter alia, the so-called "Nitze criteria" (P. Nitze is a special adviser to the U.S. President on the arms reduction talks) formulating demands on a potential ABM system lacking satisfaction of which there can be no question even of its creation, even less, of its deployment. Their essence is invulnerability to the potential enemy's countermeasures and economic efficiency (defensive weapons must be cheaper than offensive weapons).

Recently the debate surrounding the SDI has touched on aspects of the consequences of the development and deployment of a broad-based antimissile defense which are invariant in respect of the specific type of defensive system. It is primarily a question of problems of strategic stability, particularly of how stability based on the "mutual nuclear restraint" principle changes given introduction to the balance of forces of a defensive component.

The supporters of SDI believe that, given a defensive system of limited efficiency, the other side will not be able to cater with sufficient certainty for all the consequences of its own first strike inasmuch as the actual efficiency of such a system will be unknown to it. They believe that this fact increases "restraint".

We would permit ourselves a small observation in this connection. In reality no one knows the actual efficiency of a defensive system. It can be determined only on the basis of full-scale tests, which would in themselves be the equivalent of a global nuclear war. For this reason it has to be recognized that a side possessing a limited defensive system cannot from the very outset be absolutely sure of "guaranteed protection".

To stick to the facts, the said situation will contribute to the development of the "instability" formulated by R. McNamara (U.S. defense secretary in the 1960's). He called attention to the obvious fact that the natural reaction to the creation of a defensive component of the strategic forces by one side would be the deployment of additional offensive forces by the other--until the losses of the forces of restraint anticipated from the effect of the defensive system were compensated. Ignorance of the actual efficiency of a defensive system only increases this instability since the other side will begin to evaluate a rival's defensive capability in a "worst-case" scenario. This will lead to an inordinate growth of its offensive potential from the viewpoint of the first side, whose natural reaction will be either to increase its own defensive weapons or bring the offensive potential up to the level of the other side. In turn, the latter will respond in a perfectly definite way... and so forth.

The first of the "Nitze criteria" does not influence the development of the "McNamara instability" principle since even the most invulnerable defenses have a number of inherent weaknesses (this applies particularly to space-based components): the battle reserve and rate of fire of the different components of defensive systems are limited. Consequently, the defense capability could be saturated by way of a simple increase in offensive weapons.

The development of such "instability" could be stabilized by satisfaction of the second "Nitze criterion," which currently would seem extremely dubious. Indeed, as follows from the speeches of a number of former U.S. defense secretaries (R. McNamara, J. Schlesinger, H. Brown), the expected expenditure ratio is approximately 3:1 in favor of offensive missiles (that is, they are three times cheaper). The supporters of SDI hope that in the course of its realization it will be possible to find ways of creating extraordinarily inexpensive defensive weapons, which will satisfy the second "Nitze criterion".

Making the corresponding economic calculations is as yet premature, it would seem. Nonetheless, certain estimates of a general nature are possible even now. Let us examine the weapons which are being studied within the SDI program framework and compare the weight of the payload of a ballistic missile with the analogous weight of space-based components of a defensive system which is directly designated for missile destruction. Let us further assume that the main expenditure is the cost of putting the corresponding weight in space and disregard the cost of the payloads (an assumption favoring the defensive system). Finally, let us take it that the payload of a typical MIRV'd missile (that is, a missile with many independently targeted warheads) constitutes several tons.

Let us examine first of all the space-based hydrogen fluoride chemical laser--the most developed weapon within the SDI framework up to the present. As the estimates of many American and Soviet experts show, the supply of energy for each laser firing in order to ensure that the missile is hit in the boost phase of its trajectory has to constitute 200 megajoules. We would recall that defenses in this phase are the basic requirement of any ABM system.* Otherwise the assignment will be reduced merely to the protection of ground-based facilities basically by methods which were developed 20 years ago.

In the chemical laser the energy is released thanks to the "consumption" of the chemical fuel on board a space station. Estimates of the specific energy release of the hydrogen fluoride laser span quite a wide range: from 100 to 1,000 joules per gram of effective gas mixture. Despite this spread, a value of 100 joules per gram or 100 megajoules per ton would seem more realistic. This means that 2 tons of fuel would be spent per laser firing.

The components of a defensive system are to provide for the great dependability of the missiles' destruction. Proceeding from the "worst-case variant," the possibility of an occasional miss or insufficiently full destruction of a target has to be assumed. Whence the need to envisage and cater for the possibility of a triple firing at one and the same target.

* For more detail see MEMO No 11, 1985, pp 14-23.

Besides the fuel, other components (fuel tanks, the laser itself, the optical system, the guidance system, the maneuvering system and so forth) are deployed on the station whose weight is equal to at least the weight of the chemical fuel. If, however, the demands for ensuring the invulnerability of the battle station are considered, this ratio is at least doubled.

The entire contemporary "philosophy" of SDI is based on defense against a single, but full-scale attack. For this reason there can be no question of some depreciation of the equipment put into space--it is a single-acting system.

Thus, it transpires, to hit a single missile it is necessary to put in space as part of a battle station up to 18 tons of payload. But this is not yet all the outlays--the number of battle stations has to be considered also. In order to provide for the destruction of a missile launched from any point of the earth's surface at any time a substantial number of battle stations is essential since their range is limited, and the earth is spherical. The so-called "deficiency factor" defined by the relationship of the total number of stations to the number which may be employed at a given moment to destroy a target is inputted in this connection.

The minimum value of this factor for a range of destruction of 3,000 km (estimates show that this is a sufficiently sound indicator for the weapons), given the even distribution of launch pads over a territory, is of the order of 10. Consequently, in order to ensure the destruction of one missile it will be necessary to put approximately 200 tons of payload in space. We would recall that the payload of a missile is only several tons. A ratio manifestly not in favor of defense.

Let us turn to such weapons as, for example, charged particle accelerators or railguns. The huge power capacity necessary for their operation of the order of 1-10 gigawatts in one-tenth of a second cannot be secured either by space-based solar or nuclear power stations. The most natural path, seemingly, is connected with the advance storage of energy. But as yet the power capacitance of the storage tanks is small--a magnitude of 100 joules per gram would as yet seem quite a remote frontier. For this reason the conclusions arrived at for chemical lasers hold good in this case also, namely, the second "Nitze criterion" is not fulfilled.

We should now examine the X-ray lasers triggered by a nuclear explosion, which do not require a heavy energy source. The mass of the laser itself is put at several tons, which is the equivalent of a missile payload.* It is not yet clear how a single explosion of a nuclear primer can provide for the destruction of several targets, that is, each laser will have to be "exchanged" for one missile.

The deployment in space of several thousand nuclear charges for destroying missiles in launch emasculates the whole idea of defense against nuclear weapons. For this reason the X-ray lasers are viewed merely in the "launch on warning"

* R. Garwin, "How Many Orbiting Lasers for Boost-Phase Intercept?" (NATURE, 23 May 1985, p 286).

system, for which it is contemplated putting them on submarines deployed in the Indian Ocean or the Sea of Japan at a distance of 4,000-5,000 km from the areas of Central Siberia--the potential missile launch zone.

With regard for the curvature of the earth's surface and the fact that X-ray radiation is abruptly absorbed even in the upper strata of the atmosphere it follows that the X-ray laser has to ascend to a considerably greater altitude than the missile which it is to destroy, but it has to do this in a shorter time since some time is spent on detection of the missile launch and on communications with the submarine and laser-carrying rocket launch. Consequently, the rocket carrying the laser into orbit has to develop a greater speed and for this reason be of a greater launch mass than a stationary ballistic missile. Whereas the typical launch mass of the latter constitutes approximately 40-50 tons, the "laser" rocket may weigh several hundred tons. Modern strategic submarines accommodate several dozen conventional missiles, consequently, the number of "laser" rockets may be computed in single figures. The "exchange" of one submarine for several rockets is hardly an economically profitable transaction for defense.

Homing intercept missiles launched from a space battle station could be used as weapons. The initial weight ratios here are in favor of defense, but two factors remain on the side of the enemy: the possibility of the launch of a large number of decoy missiles without a payload and a change in the nature of deployment of the launch bases on its territory (increase in the "deficiency factor"). More detailed calculations show that in this case also the second "Nitze criterion" is not sustained, and by a wide margin, what is more.

Finally, let us examine the defensive structure in which ground-based lasers with space-based distributing and focusing mirrors are employed. It could be that in this plan the condition of the second "Nitze criterion" would be met and the first not since a mirror in space is considerably vulnerable.

So available estimates show that the "McNamara instability" will inevitably be present in the version of a limited-efficiency unilateral defensive system.

More, the very nature of the SDI program brings about in this version one further instance of "instability," which could provisionally be called "cruise missile instability". The point being that the efficiency of its contemplated components against different nuclear weapon delivery systems is far from identical. One cannot escape the thought that this program is aimed precisely against ICBM's--the basic component of Soviet strategic power. The projected space system will be less efficient against low-flying missiles--submarine launched and intermediate-range. It is possible that strategic bombers will become vulnerable to a certain extent. And, finally, cruise missiles of any type of basing and tactical nuclear weapons will prove to be beyond the limits of the destructive effect (we would recall that the SDI presupposes the space basing of the main components of the weapons). This placement of emphases inevitably predetermines the reaction of the other side: it will proceed toward the deployment of increasingly new cruise missiles of a basing mode which takes into consideration the location of the opposed sides to the greatest extent.

A further type of instability characteristic of the version of a unilateral limited defensive system is called "crisis instability". It could arise in a situation where there is an increased temptation for the side possessing a defensive system to launch a first, preemptive strike and hide behind the defensive system from the severely weakened retaliatory strike of the enemy. And in this case also it should be remembered that the efficiency of a defensive system is an enigma for everyone, including the side possessing such a system. Of course, the latter would be taking a considerable risk, which would grow even more if the other side switched to a "launch on notification" strategy (when the missiles are launched even before enemy missiles hit its territory).

Let us turn to the following possible version, when both sides have limited-efficiency defensive systems. The "instability" inherent in such a situation is connected with the vulnerability of space-based systems to an attack from the "double"--the defensive system of the other side. It would have to expend only a negligible proportion of its battle reserve for this.

Indeed, each battle station is designed to destroy approximately 1,000 enemy targets (missiles or warheads) at a distance of several thousand kilometers. In order to destroy its "opposite" from the other side's defensive system or, in the last resort, appreciably reduce the efficiency of his operations, approximately the same amount of energy would be required as is needed for destroying one missile. It further has to be considered that the battle stations move along well-known trajectories and that they could be within the field of vision quite a long time, while the distance between the facilities belonging to the opposite "flotillas" could prove not that great. These circumstances facilitate the task of destroying battle stations compared with destroying missiles.

So in a crisis situation the temptation to launch a preventive strike against the enemy's defensive system to limit his first-strike capability would be great.

Attention should also be called to the following fact. An attempt to satisfy the demand made by the first "Nitze criterion" would serve as a kind of trigger for a race in specific types of arms. In actual fact the creation of a defensive system by one side would give rise to the natural desire of the other to neutralize its efficiency. This could be accomplished primarily on the basis of special countermeasures. Guessing the reaction of the first side is not difficult--it would begin to develop "anticountermeasures". The subsequent moves are obvious also. The result would be an endless race for advantage accompanied by an increase in arms in space.

All that has been said above illustrates the proposition that insertion of limited-efficiency defensive components in the balance of strategic forces will eliminate the strategic equilibrium. The attempts to achieve if only a temporary state of equilibrium entail a buildup of strategic nuclear arsenals. By virtue of the specific instabilities inherent in defensive components, such an increase could continue as long as one wished, until the "interruption"--global nuclear war.

The question arises: a total defensive system is perhaps capable of changing this picture and creating an equilibrium based on new principles different from "mutual nuclear restraint"?

We would recall that the "mutual nuclear restraint" concept has a great dynamic range from the viewpoint of the correlation of the opposite sides' nuclear weapons. Accordingly, this determines the stability of the equilibrium also. The dynamic range is really very great. It is sufficient to recall that at the time of the Caribbean crisis the correlation of the numbers of nuclear warheads was roughly 20:1 in favor of the United States (according to American data).*

The "mutual guaranteed defense" concept, on the contrary, has no dynamic range, which attests an unstable equilibrium.

Let us illustrate this assertion in the example of hypothetical defensive systems with an efficiency close to 1.

The concept of 100-percent efficiency is some idealization inasmuch as efficiency depends on the level of development of technology, technical "breakthroughs" and so forth, and its value could change with the passage of time. For such hypothetical systems the strategic parameter is not efficiency itself ϵ but the system's penetrability ($\eta = 1 - \epsilon$). As already observed above, the correlation $\epsilon_1 = \epsilon_2$ may be satisfied for a certain time, particularly if the possible asymmetry in the organization of the sides' defensive systems is considered. Let us suppose that at some moment $\epsilon_1 = 0.990$, and $\epsilon_2 = 0.995$. The degree of unbalance is slight, seemingly ($\Delta\epsilon/\epsilon \sim 1/200$), but penetrability here would differ doubly. The said unstable condition is typical of the values ϵ close to 1, that is, of almost ideal defenses.

So defensive systems in any form thereof do not contribute to the establishment of stable strategic equilibrium: on the contrary, they will promote a rise in the level of strategic nuclear forces and initiate a space arms race. It is this which is causing disquiet in the world. But it is this aspect of the SDI program which is being ignored or glossed over by its supporters. True, the latter are reminiscent here of a chess player who, enamored of a move he has made, does not bother attempting to analyze the position on the board, if only for the next move.

* "Implication of the President's Strategic Defense Initiative and the Antisatellite Weapons Policy. Hearings before the Subcommittee on Arms Control, Internal Security and Science of the Committee on Foreign Affairs, U.S. House of Representatives, May 1, 1985," Washington, 1985.

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SHAKHNAZAROV ON ECONOMIC, S&T INTEGRATION IN EAST, WEST

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 5,
May 86 (signed to press 11 Apr 86) pp 21-33

[Article by G. Shakhnazarov: Internationalization--Sources, Content and Degree of Development"]

[Excerpt] It may be said that internationalization is a process of the rapprochement of nations which is being achieved by the increased interdependence of all countries and the gradual formation of a single economic and cultural structure of the world community.

I

How are the spontaneous and conscious correlated in the process of internationalization?

"Marxism," V.I. Lenin writes, "promotes in the place of any nationalism internationalism and the merger of all nations in the highest unity, which is growing before our very eyes with every verst of railroad, with every international trust and with every (international in terms of its economic activity and subsequently in terms of its ideas and its aspirations also) worker alliance."*

Let us turn our attention to Lenin's formulation of the issue: the accumulation of elements of internationalization in it is connected with the current, day-to-day building of the material basis which connects the peoples and makes countries interdependent and is capable of serving as the foundation of a future single civilization.

In addition, among the factors contributing to this process V.I. Lenin cites not only a "verst of railroad" but also the "international trust," that is, in today's language, the transnational corporations. This, of course, by no means signifies a "rehabilitation" of the predatory, plundering policy of the latter in respect of the developing countries but merely recognition of the indisputable fact that the increasing interpenetration, interdependence and rapprochement of countries of the world are a practical consequence of their activity.

* V.I. Lenin "Complete Works," vol 24, p 131

Capital promotes the internationalization of economic life in every possible way, and this from the economic viewpoint is nothing other than the socialization of the means of production internationally. Consequently, exercising this function, it prepares the material prerequisites for socialism not only "at home" but in other countries also. Expressing this idea, V.I. Lenin speaks of the world-historical trend of capitalism "...toward a breakdown of national barriers, an erasure of national differences and the ASSIMILATION of the nations, which is being manifested increasingly powerfully with every succeeding decade and which constitutes one of the greatest engines converting capitalism into socialism."* In other words, the process of internationalization, regardless of the sources behind it, is simultaneously socialization.

But in order to acquire socialist content both the means of production which are actually socialized must be socialized legally (transferred from private to public ownership) and the "internationalized" economy must change its owner and switch from private (the capitalist monopolies, bourgeois states) to public (the socialist states and their economic unification) hands.

It is clear that two social systems as yet exist, each of them imparting to the development of international relations the class content inherent therein. And while the spontaneous process of internationalization is common, integration, that is, conscious, purposeful activity pertaining to the development of labor cooperation, is developing in the two main directions-- socialist and capitalist. Comparing them, we should first of all note the existence of many common elements. The very "matter of integration" predetermines the concurrence or, at least, the proximity of decisions not only in the technical but also organizational-applied sphere. It is perfectly understandable, for example, that whether it be a question of CEMA or the EEC, similar methods of determining expenditure, computing cost, determining the procedure of the conclusion of contracts or the size of the penalties for unfulfilled agreements and so forth may happily be employed. This similarity could pertain to the procedure of the integration process.

If we take another, higher, sphere, which we shall call the technology of integration, qualitative differences, the basis of which is the essence of the social system, are revealed here. Although under the conditions of state-monopoly capitalism the sphere of foreign economic relations pertains among the most strongly watched over by the bourgeois state,** the free movement of capital and manpower together with the benefits of the international division of labor is undoubtedly stimulating integration, imparting to it a spontaneous nature to a considerable extent, it is true.

Under the socialist system any economic transaction overseas reflects not private but state (national, all-people) interest, and for this reason there is a manifold growth of responsibility for decision-making. This sometimes complicates this process and sometimes leads to delays in time and

* V.I. Lenin, "Complete Works," vol 24, p 125.

** An article published in the November issue of the French journal LE MONDE DIPLOMATIQUE for 1985 says: "The time has come to acknowledge that the debate between protectionists and the supporters of free trade is, while enthralling certain theorists, essentially pointless. All countries protect their economic interests to this extent or the other in this way or the other as soon as foreign competition begins to threaten the stability of their social structure. Merely the scale and forms of this protection may be a genuine subject of negotiation. Everything else is pure pharisaism."

other undesirable features. Taking advantage of such facts, bourgeois economists hasten to assert that the socialist system, regardless of its qualities in other respects, is insufficiently adapted to integration and does not create most-favored-nation conditions for the latter.

To convince ourselves of the contrived nature of such statements it is sufficient to recall the results of the development of socialist economic integration among the CEMA countries. The coordination of the national economic plans of the Soviet Union, Poland, the GDR and Czechoslovakia for the coming 5-year period was recently completed. In accordance with the results thereof the USSR's commodity turnover with the said countries will constitute approximately R230 billion. Anything like is virtually unknown in world practice.

It may be objected that such an impressive figure includes the entire volume of exports and imports and that as far as such an important indicator of integration as joint-labor relations is concerned, the CEMA countries are inferior in respect of it to the EEC. We will not deny this, only we would recall that the integration process in CEMA began 15 years ago with the adoption of the Program of Socialist Economic Integration, but West Europe represents the oldest industrial region of the world, which has for centuries been characterized by a quite high degree of economic exchange.

In addition, very considerable differences in economic level existed between the East European countries. A number of them embarked on the path of industrialization only following WWII. And what the socialist countries have achieved under these conditions both in the domestic economy and in foreign economic relations graphically confirms the existence in the socialist social system of incomparably more propitious opportunities for the development of internationalization and integration.

The main advantage of socialism consists of its plan-oriented system and capacity for purposefully and consciously concentrating forces and resources in the necessary areas. And if it is a question of the integration process, it could enjoy powerful acceleration, far exceeding the highest capitalist models. But this requires two mandatory conditions. First, recognition of the tremendous benefits which socialist integration is capable of producing and its attribution among the paramount, priority spheres of economic activity. And, second, completion of the cooperation mechanism, removal from its path of bureaucratic delays, application of the highest forms of economic relations and simplification of their control. Precisely simplification for the higher and more accomplished the form of joint-labor connection, as far as such as the joint enterprise, the more it must acquire independence and the more flexible and efficient the management of its activity must be.

All indications today suggest that we can speak of entry into a new stage of development of socialist economic integration. The top-level Moscow conference of CEMA countries (June 1984) emphasized the resolve of the fraternal parties and governments of the CEMA socialist countries to impart powerful impetus to the entire integration process, primarily cooperation in the sphere of machine building. The statement of the Sofia meeting of the Warsaw Pact Political Consultative Committee emphasizes their intention to unite efforts to an increasing extent for the fraternal countries' dynamic socio-economic development based on an acceleration of S&T progress and a further rise

in their peoples' well-being.* And on 19 December 1985 in Moscow authorized representatives of the CEMA countries signed the Comprehensive Program of S&T Progress, a component of which is the creation of joint scientific-production associations.

It has to be recognized that this process is at the very beginning. We have to accumulate experience and strive to ensure that the amalgamation of S&T and production potential cater for a rise in the quality of products and the emergence of the socialist countries at the foremost boundaries of S&T progress. Many difficult tasks have to be tackled in the sphere of theoretical and applied economics: how to understand ownership of the amalgamated enterprises, how their activity should be incorporated in national state plans, on what basis should profit be distributed, output quotas and pay determined and so forth.

Intensive attempts are being made to remove extraneous bureaucratic features in this sphere and afford an opportunity for a display of the advantages of socialist integration. The essence of the problem at the current stage is imparting new impetus to the integration process, employing such a factor as centralized planning, and at the same time ensuring the maximum self-administration of the joint enterprises which are set up and affording the scientific-production associations and firms the necessary powers for the establishment of direct relations with their partners in other socialist countries and broadening the sphere of managerial maneuver in this important and highly promising area of economic activity.

The essential differences of socialist and capitalist integration are particularly apparent when it is a question of aims of the process. Socialist integration has two basic tasks--promoting a general upsurge and equalization of the levels of economic development of the participants. Since the time CEMA was formed there has been a conscious orientation within its framework toward the accelerated development of Cuba, Vietnam and Mongolia. These countries have been and continue to be rendered preferential assistance on the part of the Soviet Union and the other states of the socialist community. We see nothing similar within the framework of the capitalist alliances. Even political interest proves insufficiently strong for prompting their participants to "step over" their cupidity. Thus in spite of every conceivable "unification of Europe" slogan, Greece, for example, was for two decades kept beyond the threshold of the EEC, its attainment of a certain sufficiently high level of economic development being made a condition of its entry. In other words, the EEC is (and does not hide this) an economic club of the most developed nations quite undisposed toward philanthropy.

Of course, the problem should not be oversimplified. All the realities of the modern world, the overall trends and rate of social progress, the conditions of the competition with socialism, the truly democratic, progressive forms of economic exchange which it is demonstrating in practice--all this is forcing capitalism to abandon certain rectilinear and crude methods inherent in capitalist integration since time immemorial. It would, for example, be an

* See "Meeting of the Warsaw Pact Political Consultative Committee, Sofia, 22-23 October 1985," Moscow, 1985, p 21.

oversimplification to believe that in the EEC some participants are managing in direct form to plunder others. The logic of allied relations and the cooperation mechanism practiced over decades are ultimately making it possible to find compromise solutions of contentious problems.

But this does not preclude the endeavor of the big imperialist states (the FRG, France, Britain) to use their economic potential to secure certain privileges and, particularly, a multiplication of their political importance on the world scene thanks to the aggregate authority of the community. It is also indisputable that an overt or hidden struggle is constantly under way between participants in this organization. It assumes the forms of "wars" for sales markets of this product or the other and spheres of capital investment, both within the community countries themselves and, what is more, outside it, on other continents included. In a word, integration capitalist-style by no means removes the interimperialist contradictions. It coexists with them.

Our revolutionary era is characterized more than ever by mixed forms and the interweaving of different methods, which are at times very far apart in terms of their social nature, this being particularly characteristic of such a sphere as international economic and cultural relations.

It should be noted primarily that together with integration processes embracing groups of countries with a common socioeconomic and political system (under capitalist conditions, what is more, with a roughly identical development level) territorial integration is beginning to blaze a trail for itself. The advantages of commodity exchange and production cooperation between neighboring countries are sufficiently great as to overcome the difficulties connected with differences in the development levels, economic mechanism and even class nature of states.

The military and political confrontation being imposed on Europe by reactionary imperialist circles is impeding the expansion of integration relations between the western and eastern parts of the continent. Such relations would be profitable to both sides, and the essential prerequisites for them exist. The contacts between CEMA on the one hand and the EEC and EFTA on the other which have begun may be considered first swallows of a kind. Things are developing slowly, it is true, but it is important that they have started.

Territorial integration represents, in our view, not only a practicable but objectively inevitable prospect of the development of international relations on the scale of large regions and even whole continents. The most favorable opportunities in this respect exist in Africa, Southeast Asia and South and Central America.

Substantiating the need for integration in Latin America, F. Castro emphasized that without it "there can be no development and independence inasmuch as being independent means a people having the right to manage their country themselves and opt for the social system which they like. But when our people* attempt

* F. Castro refers here to all Latin Americans inasmuch as he was speaking at a forum of the Latin American press on the problem of the regional financial crisis.

this, they are suppressed because they are solitary, isolated and split and completely dependent on imperialism and its markets." He cited the examples of Guatemala, Nicaragua, El Salvador, Grenada, Cuba and the Dominican Republic as countries on which the United States exerts pressure when they adopt decisions concerning the implementation of social changes. For this reason "integration is essential both from the economic and political viewpoints."*

II

The question of the fundamental differences between socialist and capitalist integration in connection with the latest achievements of S&T progress merits special attention.

The revolution in computer technology and biotechnology has placed on the agenda of international life more acutely than ever the problem of the use of S&T progress and the mastery of its results.

On the one hand it is a question of the opportunities for a considerable increase on a new engineering basis in the production of people's essential means of subsistence. In other words, real prerequisites have emerged for the solution of such urgent global problems as the surmounting of poverty, hunger, epidemic disease, illiteracy and economic backwardness.

On the other, there has been a sharp increase in the danger of the negative consequences of the breakthrough toward new levels of knowledge. It is a question of their possible abuse and use solely for military purposes, the interests of the establishment of total regimes, the manipulation of people's mentality and so forth. Or, what is not much better, of unpredictable, uncontrollable accidents, from a military conflagration as a result of malfunctions and breakdowns in equipment through irreversible genetic degeneration as a result of a disturbance of the ecological balance or a sharp increase in food of mineral substances.

Mastery of the achievements of S&T progress is thus becoming a most important global problem of the present day. And its solution insistently demands the plan-based, united actions of the world community. It is precisely such a proposal that the socialist countries are presenting. The statement of the Sofia meeting of the Warsaw Pact Political Consultative Committee says: "...Under current conditions it is essential to subordinate international S&T cooperation exclusively to peaceful purposes and impart to it a global character. This will be the most reliable guarantee that new achievements of the human genius will not become a cause of strife between nations but will be used by them collectively in general interests."** It does not have to be proved that this proposal corresponds to the interests of the peoples not only of the socialist countries but of the whole world. And it is just as clear that the capitalist states' attitude toward it will be shaped in the acute struggle between the West's progressive and reactionary forces.

* See GRANMA, 20 September 1985.

** "Meeting of the Warsaw Pact Political Consultative Committee....," p 20.

The position of the latter is no secret: they do not want to move toward really broad international cooperation in the sphere of the S&T revolution. First, because they are gambling on monopoly use for military purposes of the last word in science and technology. Second, inasmuch as the basis of their anticommunist strategy is the idea of the "exhaustion" of socialism they are hoping to emasculate the socialist states economically and deprive them of the possibility of implementing large-scale social programs, having foisted on them an arms race and barring access to the achievements of Western technical thought. Finally, the third and virtually most important motive is that following the liquidation of the colonial system and the gaining of independence by practically all countries the sole dependable means of plundering the developing countries and redistributing the world product in favor of a handful of imperialist powers is their vanguard position in science and technology. Imperialism will undoubtedly do everything to prevent the instrument of this "technology colonialism" being wrested from its grasp.

In other words, the peoples face a choice: internationalization of intelligence for ensuring a worthy future for all or the division and split of mankind no longer along racial or national lines but on the basis of intellect.

Of course, we are speaking only of trends. The unimpeded development of this or the other could lead to one of the said end results, but in reality these directions are contending, and not in an inert but extraordinarily active environment, what is more, which under some conditions is conducive to them and under others counteracts them.

It may be said that the question of which trend will gain the ascendancy--toward the internationalization of intelligence (socialization of its set of instruments and fruits universally) or its "privatization" (appropriation by a group of the economically and scientific-technically most developed countries)--is a special occurrence of the general problem concerning the course and outcome of the confrontation between capitalism and socialism. This is true, but only up to a point. The victory of socialism universally will guarantee that internationalization will be brought to its logical conclusion. On the other hand, the development of this objective process itself brings closer the victory of socialism. But since the time when socialization of the achievements of the S&T revolution has been its decisive component and nucleus the opportunities and temptation to slow down this process have appeared. And this could be painfully reflected in social progress and defer appreciably the time of the accomplishment of the tasks confronting individual countries and mankind as a whole.

It is not necessary to have a great imagination to conceive of the likely consequences of such a turn of events. We would have for many decades to dispense with the hopes of eliminating the gap between the economically developed and developing countries. It cannot be ruled out that the possibility of the solution of this global problem by the evolutionary path would be canceled altogether. After all, it is one thing when the gap is measured by the level of industrialization and quite another if it is determined by the level of computerization. Besides, technology is developing and becoming more complex at a rapid pace with the breakthrough to new frontiers

of the S&T revolution and the penetration to the protogenic structures of nature--the atom and the cell. In the 1950's-1960's a 20-30 year operating life of equipment was considered normal, in the 1970's only 10 years, and now a term of 7-8 years is called optimum, and what is more, no one is any longer surprised if it is necessary to modernize an enterprise which has only just been erected inasmuch as the technology applied thereat has become obsolete by the time of startup.

In short, with every year lost for overcoming the gap between the economically developed and developing countries the accomplishment of this cardinal task becomes many times more complex and is assuming an increasingly explosive nature. Yet guided by class-nationalist egotism, the ruling conservative circles of the imperialist states are ignoring this threat. They are putting their hopes mainly in the West's military superiority growing in the same proportion as the increase in the technical and technological gap. Consequently, they have nothing to fear. But this is a delusion. The true danger is not that the destitute nations will take up arms to redistribute world wealth in their favor but that the intensifying inequality and its consequences (social, economic, political, psychological) will destabilize what is a none too stable system of international relations as it is.

Menacing lightning has already appeared on the horizon. For example, the huge credit debt of the developing countries threatening to conclusively undermine the currency-finance mechanism of international payments. Or, by analogy with the demographic explosion, the "emigration explosion". While the United States, practicing "brain theft," is readily opening its doors to the elite, the number of people fleeing zones of hunger, need and backwardness is growing. And the economically developed capitalist countries will experience the growing pressure of this stream.

It seems incomprehensible that imperialist leaders, who are not without organizer's talents and political gumption and who display miracles of inventiveness in deriving profits, prove to be so short-sighted when it is a question of the attitude toward most acute global problems. The "models" of the solution of the problem of development advanced by bourgeois-oriented theorists may serve as extra confirmation. H. Kahn, the deceased patriarch of American futurology, forecast the preservation of and an increase in the gap between "North and South" for 200 years to come without asking whether such a stockpiling of combustible material would lead to an explosion. The French liberal J.-J. Servan-Schreiber claims that solving this problem now is child's play. It is sufficient, allegedly, to introduce microprocessor technology in the developing countries, and they, bypassing the industrialization stage, will immediately be on a par with the economically developed countries.

In a word, the monopoly bourgeoisie and its ideologists do not know how to reduce the gulf separating the poor and rich nations and are not all that worried. One further manifestation of the familiar paradox: while contributing objectively to internationalization capital is by nature devoid of an internationalist consciousness and operates in this sphere not from good will but from bare calculation.

There are, of course, in the capitalist countries political forces which occupy a different position. These are primarily the communist parties reflecting the internationalist consciousness of the progressive workers and intellectuals. Some socialists and social democrats preserve the need for an objective interpretation of the historical perspective traditional for forces of the left. Scholars of the progressive school also urge a "planetary consciousness" and the public of the developed countries at large to perceive the need for development assistance as a contribution to their own future.

Not only convinced internationalists but also those who are ready to promote the cause of international cooperation from pragmatic considerations will find the most active partners in the socialist countries. Delivering the report at the USSR Supreme Soviet session in November 1985, M.S. Gorbachev, general secretary of the CPSU Central Committee, dwelt in detail on global problems of the present day, emphasizing that their solution "is within the capabilities of mankind today if its powers and reason are united. New heights in the development of civilization would then be accessible.... We propose to the whole world, including the world of capitalist states, a wide-ranging, long-term comprehensive program of mutually profitable cooperation taking into consideration the new possibilities which are being afforded mankind by the era of the S&T revolution."

I shall quote one further extract from the report. When evaluating Soviet-American relations, it emphasizes: "No doubt, the differences between us are vast. But in today's world the interconnection and interdependence between us are just as great." Here we have a most important consequence of the internationalization process, which is becoming, in turn, an accelerator thereof. This question merits special attention.

To begin with the fact that in the modern world no country, however powerful it may be and whatever natural wealth it may possess, can develop successfully without diverse relations with the world community. Of course, this does not mean that a state adopting for this reason or the other a policy of isolation immediately disintegrates. Even an underdeveloped country with an agrarian sector capable of feeding the population may live for a certain time without technical innovations. But time will pass for it in a medieval rhythm; artificially torn away from civilization, it will sooner or later be forced to make special efforts to make good what has been let slip.

As the pace of S&T progress increases, autarky becomes not simply disadvantageous but ruinous. On the other hand, a most important criterion of the wealth of a nation is the extent of its participation in the international division of labor and, particularly, association with the world market of advanced scientific thought and technology. A country's degree of development is determined, furthermore, not only by its own contribution to the world fund of knowledge but to no less an extent also by its capacity to draw from it. After all, the assimilation of modern equipment and engineering processes demands a high level of industrial culture and qualifications of the personnel.

A whole system of interdependencies is arising as a result of the incorporation of an increasingly wide range of nations in economic, political and cultural cooperation. Between suppliers and consumers, borrowers and creditors and

those rendering assistance and those receiving it. Behind the general "interdependency" concept may be and in practice are relations of the most diverse content and ethical coloring. The sole thing which serves as their common denominator and makes it possible to unite them under a single heading is the attitude of obligation which arises in the participants and certain obligations and commitments to one another.

It is not fortuitous that we employ two different terms, albeit close in meaning. What is understood by obligation here is the connection which exists objectively, regardless of whether it has been made official by an instrument of law, if only a verbal assurance, or not. A commitment is built on a contractual basis and underpinned by the agreement of the parties. Both may be both desired and undesired (for one or even for both) and perceived as an advantage or burden. The unequal position of the participants may be reflected in both cases. In the system of international relations of the colonial period such inequality was so great that that interdependency existed mainly in "corroded" form: independence for the metropolises, dependency for the colonies. The socialist and national liberation revolutions changed the position radically, particularly in the political sphere. But if we refer to the economic sphere, the slogan of independence preserves its topicality for many countries being directly or indirectly picked clean by imperialism.

Here we approach a most difficult question raised by the development of international relations in the latter half of the 20th century: concerning the correlation of independence or interdependence. These categories come into conflict, which reflects the simultaneous unfolding of two historical processes which are different in time: national self-determination and the gaining of independence (a process which was delayed in connection with the active resistance of colonialism and neocolonialism) and the internationalization and rapprochement of the peoples leading in the future to the merger of the nations. "Our age," M.S. Gorbachev said, addressing the participants in the annual (1985) meeting of the American-Soviet Trade and Economic Council, "is an age when each country and each people--not only big but small also--see the greatest value in their independence and defend it with might and main. And, nonetheless, we are all involved in states' growing interdependence. This is an objective consequence of the development of the modern world economy and, at the same time, an important factor of international stability. We should welcome such interdependence. It could be a powerful stimulus to the building of stable, normal, I would not even be afraid to say, friendly relations."

Independence is an essential precondition for interdependence. Only a country with the possibility of deciding without military coercion, political pressure and economic compulsion from outside the question with whom it should cooperate and how perceives the emerging ties of interdependence as a blessing. Otherwise the relations meeting the criterion on interdependence will in practice be relations of domination and subordination. In other words, the old content will prove to have been invested in modern form and the 19th century will have been garbed in the clothing of the 20th and even 21st centuries.

This is how matters stand currently. Two types of interdependence exist in international relations. One expresses a relationship of inequality and belongs to the past; the other belongs to the future--the relationship of equal cooperation aimed at surmounting national narrowness. For this reason it is

difficult, if at all possible, to formulate some general formula suitable for revealing the interdependence phenomenon. Evidently what is needed is a specific analysis in each case in order to answer the questions: useful or harmful, progressive or reactionary and so forth.

But there is one sphere in which interdependence assumes complete certainty and unambiguity. This is security in the nuclear age. As a result of the arms race being imposed by the United States and NATO all countries and peoples have found themselves in the same boat, and they are fated to either swim together or sink together. Here is the conceivable limit of dependence on one another's intentions and conduct. Here is the highest need, dictated by the interests of one's own survival and prolongation of the life of the whole human race, for the recognition of obligations in respect of the partner (rival, potential enemy) and the assumption of mutual commitments.

The very enforced nature of this type of interdependence does not lend it attractiveness. But this is a question not of choice, preference and predilection but of life or death requiring the highest responsibility of states and their leaders. It is such responsibility that is being demonstrated by the Soviet Union.

True security in the nuclear age may only be collective. Under the conditions of the approximate military parity of the USSR and the United States it is guaranteed merely by consideration of the legitimate interests of the other side.

It is well known that the U.S. Administration has attempted to disrupt the military balance, threatening to cause unpredictable consequences. For this reason the commitment not to aspire to military superiority enshrined in the joint statement of the participants in the Soviet-American top-level meeting was greeted positively in the world.

An attempt was made in Geneva to make the forced interdependence of the USSR and the United States not only tolerable but also mutually beneficial. Our two great powers, as also all the peoples of the socialist and capitalist countries, have things with which to enrich each other in the sphere of economic, S&T and cultural exchange. They both can and must together with the nonaligned states begin to build a new international order within whose framework a solution of present-day global problems will be found--this is perhaps the main conclusion from the Geneva meeting.

The scale and complexity of the task are such that its accomplishment will obviously require a certain historical period, and each frontier on this path, furthermore, will be taken in a bitter struggle against reactionary imperialist and nationalist forces. It is clear even now in which directions and around which key questions it will unfold. These are primarily arms control and effective disarmament, the reorganization of international economic relations on a just basis and use in common interests of the achievements of S&T progress.

The regulation of flows of information will also pertain among the most acute problems of the future. Thanks to modern means of communications, the word and visual image are propagated across the world like lightning. This is a most powerful factor of the internationalization of the consciousness, but

the whole point is the kind of philosophical, political or other content which will be invested in it. Western, primarily American, concerns and agencies are foisting on consumers in different countries their interpretation of events and intensively disseminating inferior cultural surrogates. The phenomenon which has come to be called "information imperialism," which is corrupting the hearts and minds of hundreds of millions of people, is as yet an underestimated threat, comparable in terms of possible consequences with the ecological threat.

The resolution of the 27th CPSU Congress on the CPSU Central Committee Political Report points out: "The combination of the competition and historical confrontation of the two systems and the growing trend toward the interdependence of the states of the world community is the real dialectic of contemporary world development. A contradictory, but interdependent, largely integral world is taking shape via the struggle of opposites." Thus we have a right to say that mankind has entered a period when the progress of individual societies within the framework of national state boundaries and their interaction and internationalization can and must be regarded no longer as two independent, although closely connected, processes but as components of common world social development.

Internationalization is continuing to gather pace, confirming the foresight of the founders of scientific communism. This process is contradictory. Under current conditions, given the correlation of class forces which exists in the world, the imperialist bourgeoisie is attempting to take advantage of it in the interests of preserving its domination. But the objective requirements of mankind are favorable to the struggle of the forces of progress to ensure that the growing interdependence of countries and peoples be for them a blessing and not an evil and lead to the unification of forces and resources in the name of the attainment of new heights in the development of general civilization.

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TIKHOVINSKIY ON ASIA-PACIFIC SECURITY ISSUES

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 5, May 86 (signed to press 11 Apr 86) pp 34-44

[Text] The CPSU Central Committee Political Report to the 27th party congress emphasizes the growing significance in the international activity of the CPSU and the Soviet state of the Asian and Pacific area. "In this vast region," the report observes, "there are many tangled knots of contradictions, and the political situation is unstable in certain places. Solutions, ways need to be sought here, and without delay, what is more. It is evidently necessary to begin with the coordination and subsequently the unification of efforts in the interests of a political settlement of painful problems in order in parallel on this basis to at least take away the seriousness of the military confrontation in various parts of Asia and stabilize the situation there."

The countries of Asia and the Pacific differ from one another in terms of their sociopolitical system, historical past and national traditions, level and orientation of economic development, racial and national composition of the population and so forth. But granted all the differences, the region's countries are characterized, of course, by a certain community of destiny. They cannot fail to be interested in the preservation for themselves and for their descendants of the Pacific as an area of peaceful habitation, an acceleration of social progress, the solution of urgent global problems, the securing of the conditions most conducive to further socioeconomic and cultural development and the organization of interregional ties. The achievement of these goals is practicable only under peaceful conditions, given the absence of military conflicts and confrontations.

I

Shortly after WWII it was precisely in Asia that a highly tense situation was created. It was here that instances of the use of armed force by the imperialist states headed by the United States of the largest scale since WWII occurred (in Korea and Indochina).

And today in the region there are numerous centers of tension, the subversive activity against Afghanistan, the armed attacks of the Pol Pot bands against Cambodia from Thai territory, military conflicts on Vietnam's northern border

and provocative military maneuvers in South Korea are incessant and tension on the border between India and Pakistan continues. Such is a far from complete list of "flash points" in the Asia-Pacific region.

Finally, huge stockpiles of nuclear weapons are concentrated and environmentally dangerous nuclear tests are conducted here. The imperialist powers are building up their military presence in every possible way.

The greatest militarist assertiveness is being displayed by the United States, which is endeavoring to turn the region into a military springboard aimed against the USSR and the other socialist countries. A grouping of American armed forces second in power (behind West Europe) has been created here. Hundreds of military facilities are located in proximity to the borders of the Soviet Union and other socialist countries. Instances of large-scale American naval maneuvers of a frankly provocative nature off Soviet Far East shores have become more frequent.

The Asia-Pacific region is a principal center of the United States' nuclear power. The American sea-based strategic forces, the basis of which are ballistic missile-firing nuclear submarines, including the new Ohio-class missile-firing submarines armed with the Trident 1 missiles, on combat patrol, are deployed here. Secretary of State G. Shultz acknowledged in a speech that since 1981 there had been a considerable increase in American military power in the region (in particular, by 15 new frigates, 8 destroyers, 6 submarines, 112 F/A-18 aircraft, 2 F-16 squadrons and 116 Blackhawk helicopters).*

The buildup of the United States' military potential in Asia reflects the growth of the aggressive aspirations of Washington's ruling circles in respect of the peoples of this part of the world, which has always been in the United States' sights. However, attention to it increased noticeably following the assumption of office of the R. Reagan administration. The journal ASIA PACIFIC COMMUNITY wrote in 1983 that "the Atlantic community is being replaced by the Pacific region as the center of world technology and civilization" and that subsequently this area "will perform the predominant role in literally all spheres of the modern world."** "American foreign policy has traditionally been oriented toward Europe," the journal FOREIGN AFFAIRS observes. "The Reagan administration, however, is looking more attentively toward Asia and the Pacific."*** When visiting Japan in November 1983 the U.S. President declared that in the next century the Pacific region would be the center of international relations and that "the great ocean with all its countries, all its growing development potential is the future."****

What has brought about such heightened U.S. interest in the region?

* DEPARTMENT OF STATE BULLETIN, September 1985, p 27.

** See ASIA PACIFIC COMMUNITY No 21, 1983, p 36.

*** FOREIGN AFFAIRS No 3, 1985, p 669.

**** Ibidem.

A significant role is performed by factors of a commercial-economic nature. The United States' trade across the Pacific exceeds the analogous indicator for the Atlantic. Its biggest corporations have considerable interests here.

However, it is not only purely economic interest which explains American ruling circles' aspiration to strengthen their positions in the Pacific. Washington regards it as a sphere where an acute struggle of different social trends and directions in the development of many countries is under way and aspires to influence the course of this struggle in a direction favorable to capitalism. By means of a buildup of the economic and military potential primarily of Japan and Australia and a strengthening of capitalist trends in the ASEAN countries Washington aspires to neutralize the influence of the Asian socialist states and weaken the anti-imperialist potential of the nonaligned movement. For the accomplishment of these plans U.S. ruling circles are making active use of traditional power methods, militarizing the region, exacerbating international tension and creating explosive situations.

The features of imperialist foreign policy characterized at the CPSU Central Committee October (1985) Plenum as "social revanche based on the achievement of military superiority to socialism, the power suppression of progressive liberation movements and the preservation of international tension at a level justifying the creation of increasingly new types of weapons of mass annihilation and the militarization of space" are being manifested graphically in the United States' actions. The bourgeois press abounds in predictions that "the Pacific region is destined to be the center of superpower rivalry" and that "the Pacific... is changing the nature of the East-West conflict, which hitherto has been manifested most graphically in European affairs."* In the course of hearings in the U.S. Congress in 1984 Adm W. Crowe, at that time commander of U.S. armed forces in the Pacific, claimed that it is this region which is the potential zone of struggle with the USSR and demanded a further increase in American armed forces here.

The United States is concocting plans to create in the Pacific an aggressive military community like the North Atlantic bloc. Meanwhile the Washington administration is establishing a close connection between NATO and the multilateral and bilateral military alliances which already exist in the region. Particular attention in this respect is being paid to Japan, which the United States is attempting to "NATO-ize" by all ways and means.

The American leadership is exerting considerable effort both to expand Japanese military preparations proper and to strengthen and expand the American-Japanese alliance, which Washington regards as the cornerstone of the United States' "security system" in the Far East and throughout the Asia-Pacific region.

Reproaches to the effect that Japan, allegedly unwilling to incur substantial expenditure in the military sphere, intends providing for its defense "at others' expense" and that the "serene Japanese are enjoying a carefree ride on the American security train:"* have been heard from Washington increasingly

* SURVIVAL, January-February 1984, p 4.

** ASIAN PROFILE, October 1984, p 425.

often and loudly in recent years. Tokyo has become an object of constant pressure on the part of the United States, which is endeavoring to shift onto its Far East competitor as big a financial burden of the war preparations as possible. When, in June 1985, the chief of Japan's National Defense Agency was on a visit to the United States, the Senate passed a special resolution reproaching Tokyo for "nonfulfillment of its defense obligations". The United States is demanding the country's accelerated rearmament and a broadening of the functions of Japan's armed forces, which have hitherto been oriented formally toward the "defense" only of national territory in the event of a "limited invasion".

Under U.S. pressure, in 1981 then Japanese Prime Minister Z. Suzuki announced that his country would assume responsibility for "defense" of a zone of the Pacific to a distance of 1,000 miles from the shores of the Japanese islands. Upon its assumption of office the Reagan administration adopted a policy of winning from Tokyo a commitment to undertake the patrolling of the sea and air space of the Western Pacific north of the island of Guam and the Philippines. As a result, having shifted to Japan's "Self-Defense Force" part of the operational assignments of the 7th Fleet and the U.S. Army, the United States acquired an opportunity to increase its military presence in the Near East and Indian Ocean. With the assumption of office of prime minister of Japan of Y. Nakasone it came increasingly to be a question in the country's ruling circles of exceeding the hitherto observed military spending ceiling of 1 percent of GNP. The proposed arms increase in 1986-1990, which will cost the country roughly \$77.5 billion, will inevitably, experts believe, lead to the crossing of the "1-percent barrier".*

Currently Japan occupies fifth place among Washington's allies in terms of military spending. The United States is concerned for an increase in arms production in Japan for the added reason that it wishes to import for the needs of its own armed forces certain advanced models of Japanese military technology, part of which is intended for use in realization of the SDI program.

The stimulation of the forces of militarism and revanchism which has been growing in the country in recent years is explained, naturally, not only by pressure from Washington. It is rooted in the increased economic power of Japanese imperialism. As acknowledged by a number of Western political observers, the land of the rising sun is once again becoming "an unstable and, probably, dangerous factor" of world politics.**

Whereas earlier, in the 1950's and 1960's, the Japanese Government employed the tactics of "gradual" steps and a policy of "creeping militarization," now the situation has changed sharply. As the newspaper ASAHI wrote, the Japanese military system is becoming an inalienable part of American strategy in respect of the Soviet Union.***

* See FAR EASTERN ECONOMIC REVIEW, 4 July 1985, p 21.

** See ASIAN PROFILE, October 1984, p 461.

*** See FAR EASTERN ECONOMIC REVIEW, 4 July 1985, p 21.

A serious threat to peace and stability in the region was the deployment on the country's territory of American F-16 aircraft, which are capable of carrying nuclear weapons. Their range makes it possible without mid-air refueling to strike at the Soviet Maritime area and the territory of other socialist states neighboring Japan. Certain Japanese statesmen are making provocative statements to the effect that in the event of an "emergency," the government may block the international straits in the region of the Japanese islands in order to bar passage to Soviet ships. The country's militarization is being accompanied by the open encouragement of revanchist elements and the kindling of the notorious "northern territories" problem.

II

A prominent place together with Japan in the Pentagon's aggressive plans is occupied by South Korea, on whose territory approximately 40 American military bases and over 1,000 nuclear weapons are deployed. The South Korean Army--one of the biggest in Asia--has more than 600,000 men. American fighter bombers carrying nuclear warheads are in full combat readiness on South Korea's airfields.

In the spring of 1985 the United States conducted there the biggest maneuvers since the war, Team Spirit-85, with the participation of 200,000 American and South Korean troops. Large contingents of infantry, paratroops and marines, aviation and naval forces were transferred from the United States, the island of Guam and Japan.

Even bigger maneuvers were conducted in South Korea at the start of 1986 (Team Spirit-86). The DPRK Government called the United Nations' attention to their extremely dangerous and provocative nature. These aggressive actions are undermining the possibilities of an easing of tension on the Korean peninsula and the creation of an atmosphere conducive to dialogue between North and South and harming the cause of security in Asia.

Washington is actively enlisting Japan and South Korea in its strategy. According to the U.S. plan, the notorious Washington--Tokyo--Seoul "triangle" could serve as the nucleus of the unification of the armed forces and resources of Japan, Australia, New Zealand, South Korea and the ASEAN countries in a single "total system" under a centralized command, in which the United States would have the predominant role.

The appearance of the "Pacific community" concept should also be seen within the framework of realization of such designs. The true purposes of its creation were once expressed very candidly by Japanese Foreign Minister S. Sonoda: the strengthening of relations with the future participants in the community would facilitate Japan's conduct of "diplomacy against the Soviet Union". What we have is an attempt to create a military-political bloc aimed against the USSR and the other socialist countries, and, what is more, whereas earlier the creation of a "Pacific community" was proclaimed merely a "task of the 21st century," matters are now switching to the practical plane.

In accordance with Washington's military-strategic designs, the "Pacific community" is to "close," as it were, the chain of an international system of military blocs with the participation of the United States. However, the realization of such plans is encountering serious difficulties ensuing from the singularities of the regional situation, considerable differences in the sociopolitical orientation of the countries belonging to it and the reluctance

of many of them to tie themselves to the war chariot of the United States. The ruling circles of a number of states of the region recognize the danger of being pulled into various military adventures of the United States and other actions contrary to their national interests. Still quite fresh in the people's memory is the sorry experience of SEATO, which demonstrated the bankruptcy of bloc strategy in Asia in the period of the 1950's-1970's.

Western political observers note that "the prospect of the creation of a NATO-type strategic alliance is emerging in the Pacific," but that "it remains problematical whether the efforts geared to the organization of a more integrated structure of the defense cooperation of the region's noncommunist states will be desirable (for the states of the region--S.T.), not to mention whether they will be successful or not."* Even in Japan, which is regarded as the United States' main ally, the idea of the creation of a "Pacific Community" enjoys far from unconditional support. As far as the ASEAN countries are concerned, their ruling circles justifiably fear that they will lose the advantages which mutual cooperation affords them in the event of joining a "community" where first fiddle is played by the United States and Japan.

Together with the ongoing attempts to create a "Pacific community" the United States is actively expanding economic and military cooperation with the ASEAN countries, which occupy fifth place among Washington's biggest trading partners. The association is also of great significance in the United States' strategic calculations, if only for the fact that the states incorporated in it control the straits connecting the Indian and Pacific oceans. ASEAN is formally not a military organization, but its participants cooperate with one another in the military sphere, elaborating "a common tactical and strategic course". There is a regular exchange of military and intelligence information between ASEAN countries, and they carry out joint military maneuvers and combat operations against antigovernment "insurgent forces"; an accord governing arms standardization, improvement of the infrastructure and so forth exists.

The United States is encouraging such efforts on the part of the association in every possible way, constantly increasing the amount of military assistance granted its participants. It is assiduously following the situation in the ASEAN states, actively interfering in the domestic political life of such countries as the Philippines and Thailand. In order to keep the countries of the association in the American "orbit" and transform it fully into a military-political association Washington is supporting and kindling to the utmost the conflict situation between the ASEAN participants and the Indochina states connected primarily with the so-called "Cambodia problem".

Increasingly great significance in the United States' military-strategic plans is attached to military and political cooperation with Australia and New Zealand exercised with the framework of the ANZUS trilateral military-political bloc. Throughout the 35 years of its existence this bloc has exerted a pronounced influence on the state of affairs in the region as an instrument which has helped secure the "vital interests" of the United States and "contain" and "roll back" communism.

However, as distinct from NATO, ANZUS represents a less integral and cohesive organism, and its participants are not linked by such rigid commitments, preserving a certain independence and freedom of maneuver.

Australia represents a special value for the United States in the military-strategic plane. Besides the ANZUS bloc, Canberra is linked to Washington by a whole number of special military agreements. Australia regularly participates together with the United States in multilateral maneuvers like, for example,

* SURVIVAL, January-February 1984, p 9.

"Rimpac," which have been conducted since 1971. The fifth continent has in recent decades become a most important outpost of the United States not only in the Pacific region but also in the region of the Indian Ocean and within the framework of the global strategy of American imperialism in general. Most important secret U.S. strategic facilities are located in Australia (in Pine Gap, North West Cape and Narrangara), which serve for the early warning of a missile launch, collect valuable intelligence data as satellite tracking stations and ensure channels of communication for the U.S. Navy in the Pacific and Indian oceans. It is assumed that these facilities will be involved in implementation of the American "star wars" plans also.

In violation of international law the United States has turned a UN trust territory--Micronesia--into its military springboard, which is assigned the role of a link of considerable importance in the chain of the Pentagon's military-strategic bases and strong points in the Western Pacific. Since 1946 the United States has used the Micronesian islands for conducting nuclear weapon tests. Kwajalein atoll is now a Pentagon proving ground for the testing of ICBM's. In imposing on Micronesia so-called "free association" agreements the United States is pursuing an obvious goal--laying its hands on this Pacific territory and depriving the Micronesians of independence forever. In accordance with these "agreements," the United States arrogates to itself the exclusive right of control in questions of the foreign relations, defense and finances of the Micronesian territories.

The Pentagon intends to continue to preserve and expand the missile-testing proving grounds, naval bases, strategic aviation airfields and other military facilities which it has created on the islands and to deploy nuclear, chemical and other types of weapons of mass annihilation there. The conversion of this region into a military-strategic springboard of the United States creates a serious threat to the security of the peoples not only of Micronesia but also the entire Asia-Pacific region.

Despite all the seeming strength of the United States' positions in this part of the world and the tremendous American military power concentrated there, the plans to convert the Pacific into an arena of the global confrontation with socialism not only are not meeting with support but, on the contrary, are giving rise to a rebuff among the peoples of the countries located here. The treaty on a nuclear-free zone in the South Pacific and the exacerbation of American-New Zealand contradictions are far from the sole examples of such opposition.

III

The policy of American imperialism in the Asia-Pacific region is creating a real threat to international security. Under these conditions increasingly great significance is attached to the consistent and purposeful foreign policy activity of the Soviet Union aimed at ensuring strong and dependable peaceful conditions conducive to sociopolitical and economic progress.

Much effort is being exerted in the West's political and scientific circles to portray the essence and goals of the USSR's foreign policy, in this region included, in a distorted light. Thus although forced to acknowledge that "the United States and the Soviet Union have a common interest in preventing nuclear war," U.S. Secretary of State G. Shultz nonetheless asserts that the USSR does not aspire to the establishment of a "peaceful international order".

Yet the world community is broadly aware of the USSR's role as the initiator of and active participant in international conferences or agreements aimed at the achievement of peace in various parts of Asia like, for example, the Geneva conferences on Indochina (1954) and Laos (1962), the 1973 international conference on Vietnam in Paris and so forth.

On the eve and at the outset of the 1980's the USSR came forward with the idea of ensuring Asian security on the basis of the joint efforts of all states of the region. Specifying it, the Soviet leaders formulated a program of struggle for peace in Asia based on such principles as renunciation of the use of force in interstate relations; impermissibility of the seizure of territory; the peaceful solution of disputes; mutual respect for sovereignty and the inviolability of borders; noninterference in internal affairs; economic and other cooperation on conditions of equality and mutual advantage; the right of each people to dispose of its fate and natural resources and implement socioeconomic transformations. This program took account of the experience of both Europe and the USSR's relations with many Asian countries and their desires and initiatives concerning the country's peaceful development. It was aimed at surmounting tension and establishing detente in inter-Asian relations.

The same goal was pursued by the proposal advanced by the 26th CPSU Congress in 1981 concerning the elaboration and application of confidence-building measures in the area of the Far East, concerning which the USSR expressed the readiness to conduct specific negotiations with all interested countries. Implementation of these measures could have begun on a bilateral basis between, for example, the USSR and the PRC, the USSR and Japan and the socialist Indochina countries and the ASEAN states. Confidence-building measures in the military sphere (notification of military exercises, large-scale troop movements and so forth), in particular, could have been borrowed here from the experience of the all-European process. Of course, the specifics of the Far East region also must be taken into consideration. Any country could contribute to the elaboration of such measures. Under the conditions of the present exacerbation of the situation in the Far East and the Pacific the relevance of the above-mentioned Soviet proposals not only retains its force but is growing even more. A positive political alternative, that is, a prospect of a strengthening of peace, security and the peaceful mutually beneficial cooperation of the countries of Asia and the Pacific, must be counterposed to the aggressive policy of the United States.

Speaking on 21 May 1985 at a reception in the Kremlin in honor of Indian Prime Minister R. Gandhi, M.S. Gorbachev put forward the proposal concerning a comprehensive approach to the problem of security in Asia and the unification of Asian states' efforts in this direction as far as the convening in the future of an all-Asia forum for an exchange of opinions and joint quest for constructive solutions. Noting that the problems of the preservation of peace in Asia today are possibly no less and, in certain areas, even more serious and painful than in Europe, the CPSU Central Committee general secretary proposed that each permanent member of the UN Security Council undertake to observe in relations with countries of this continent (as, equally, of Africa and Latin America) "the principles of noninterference and the nonuse or threat of force

and not to involve them in military blocs." This measure would contribute to a considerable extent to the elimination of tension and to the peaceful settlement of a whole number of regional conflicts.

During meetings and talks with the leaders of Vietnam, Laos and Mongolia in June-August 1985 the Soviet leader pointed, in particular, to the Soviet Union's consent to a freeze on the numbers of its intermediate-range missiles in the Asian part of the country (on condition that the United States also would not aspire to upset the strategic situation in Asia) and the readiness to discuss with Asian and Pacific states problems of a reduction in these missiles on the basis of reciprocity. The idea of the convening in the future of an all-Asia forum for an exchange of opinions on a joint quest for constructive solutions was confirmed.

The Soviet leadership's profound belief that the actual situation in the region dictates the need for cooperation and good-neighborliness based on a broad-based concept of security which would correspond to the interests of each and everyone was emphasized. From the USSR's viewpoint, such a concept could incorporate the five principles of peaceful coexistence once formulated by Asian states, the 10 Bandung principles and a number of initiatives of the Soviet Union, Mongolia, the DPRK, the Indochina countries, India and other states of the region pertaining to problems of security in Asia and the conversion of the Indian Ocean into a zone of peace.

An important contribution to the joint quest with Asian and Pacific countries for a common, comprehensive approach to the formation here of a system of security and lasting peace could be realization of the program for freeing the world of nuclear and chemical weapons advanced in the CPSU Central Committee general secretary's 15 January 1986 statement. This would fundamentally change the situation in Asia, deliver its peoples from fear in the face of the nuclear and chemical threat and raise security in the region to a qualitatively new level.

Essential components of the concepts of Asian-Pacific security could be the following measures: the nuclear powers' complete suspension of nuclear weapons tests, in Asia and the Pacific and Indian oceans included; all nuclear powers' renunciation of first use of nuclear weapons in Asia and the world as a whole; a freeze on the level of military activity in the region and subsequently a halt to the race in arms, nuclear particularly; nonuse of nuclear weapons against individual countries and entire regions of Asia which have declared strict compliance with their nuclear-free status; the adoption by states which do not possess nuclear weapons of three nonnuclear principles: not to have, not to produce and not to import such weapons onto their territory; subscription to the Nuclear Nonproliferation Treaty of the Asian states which have yet to do so; Asian and Pacific states' renunciation of participation in plans for the militarization of space; prevention of the creation of new and expansion of existing military blocs in the region; achievement of an accord on confidence-building measures in the military-political sphere, including notification of large-scale military exercises and the invitation to them of foreign observers, and of large-scale troop and naval movements; the creation of zones of peace, cooperation and good-neighborliness and also nuclear-free

zones in various parts of Asia and the Pacific and Indian oceans; conclusion of a convention on nonaggression and the nonuse of force between countries of Asia and the Pacific and Indian oceans; the development of equal mutually profitable trade-economic cooperation on a bilateral or multilateral basis; and so forth.

The Soviet Union naturally takes account of the complex political, socioeconomic and military-strategic singularities of the region. It is not a question of the creation of some closed system of relations of the states incorporated therein. On the contrary, the security system should contribute to the creation of favorable conditions for the development of the diverse relations and cooperation of the countries of this region with the states of other continents with regard for their legitimate interests.

M.S. Gorbachev declared in the speech at the USSR Supreme Soviet session on 27 November 1985: "The Soviet leadership attaches considerable significance to the Asia-Pacific region. The Soviet Union's longest borders are in Asia.... It is extraordinarily important to strive to ensure that this region not be a source of tension and sphere of military confrontation. We are for a broadening of the political dialogue between all states located here in the interests of peace, good-neighborliness, mutual trust and cooperation."

No Asian country would lose from implementation of the Soviet program for the complete and universal elimination of nuclear weapons by the year 2000, given a simultaneous ban on space-based strike arms, and from the creation of the all-embracing system of international security proposed at the 27th CPSU Congress. On the contrary, the unification of efforts in the solution of problems common for all mankind would be possible.

In recent years a whole number of constructive peaceable initiatives has been put forward by other Asian socialist countries also. Back in 1981 Mongolia proposed the elaboration and conclusion of a convention on nonaggression and the nonuse of force in relations between Asian and Pacific states.

The three Indochina countries--Vietnam, Laos and Cambodia--which are coordinating their actions on the international scene, are endeavoring to achieve a settlement of contentious problems in Southeast Asia, normalize the situation here and establish a dialogue with the ASEAN states and the PRC. They are constantly putting forward constructive proposals and initiatives at regularly convened conferences of the foreign ministers of Vietnam, Laos and Cambodia. In recent years the Indochina states have advanced a number of new specific and realistic initiatives aimed at an easing of tension in Southeast Asia.

A substantial contribution to the achievement of stability in the region is being made by the DPRK, which is exerting big efforts to eliminate the explosive situation on the Korean peninsula and unify the country peacefully. The DPRK is presenting important initiatives aimed at turning the Korean peninsula into a nuclear-free, peaceful zone, the creation of the Democratic Confederative Republic of Korea and replacement of the armistice agreements by a peace agreement. These initiatives are perceived with profound satisfaction in the Soviet Union. The strengthening of friendly relations between the USSR and the DPRK is an important factor of peace and stability in the region.

Particular significance is attached to an improvement in relations between the two socialist countries--the Soviet Union and the PRC. Consistently striving for an extension of relations with China based on good-neighborliness and the principles of peaceful coexistence, the Soviet side aspires to genuine friendship and all-around cooperation with the PRC on an equal and principled basis and not to the detriment of third countries. The Soviet Union welcomes the steps being taken by the PRC on the international scene aimed at a consolidation of security and good-neighborliness in Asia and throughout the world. This pertains primarily to China's statement concerning renunciation of first use of nuclear weapons and the speeches of its leadership against the militarization of space.

As the 27th CPSU Congress emphasized, "the potential of the cooperation of the USSR and China is enormous. It is great because such cooperation corresponds to the interests of both countries; because that which is dearest for our peoples--socialism and peace--is indivisible."

The foreign policy efforts of the Asian socialist countries and the strengthening of their bilateral friendly ties and relations of good-neighborliness and cooperation with other states of the region are an important factor of international stability in Asia and the Pacific.

The USSR is striving consistently for the establishment of strong, truly good-neighborly relations with Japan. The proposal advanced by the Soviet Union concerning the conclusion with it of a good-neighborliness and cooperation treaty, which would be an important step toward a strengthening of mutual trust and the creation of an atmosphere conducive to negotiations on a peace treaty, holds good. A useful role in an improvement in Soviet-Japanese relations could be performed by the joint elaboration by our countries, given the participation of other interested states, of confidence-building measures in the Far East.

The Soviet Union welcomes Japan's three nonnuclear principles--not to own nuclear weapons, not to produce them and not to allow them on its territory. Particular significance is attached to the Soviet proposal concerning the conclusion with Japan of an agreement which would record the Soviet Union's undertaking not to use nuclear weapons in respect of this country and a guarantee on the part of Japan that it would strictly observe its nuclear-free status.

The message of M.S. Gorbachev to the mayors of the Japanese cities of Hiroshima and Nagasaki expresses the belief that "joint efforts of the governments, political parties and peoples could and should create the conditions for ensuring that people of our planet greet the 21st century without nuclear, chemical and other weapons of mass annihilation."*

* PRAVDA, 12 February 1986.

The international situation in Asia and the Pacific is distinguished by particular complexity and contradictoriness and demands that the elaboration of the problems of an easing of tension in this region be approached with exceptional attention and care. Realization of the concept of Asian security is a long-term task. It may only be accomplished with the help of a gradual approach. A number of preliminary measures, in particular, the nuclear powers' complete suspension of nuclear weapon tests, in Asia and the Pacific included, and also renunciation by the region's states of participation in the plans to militarize space, would serve as a big stimulus to the development of activity in this direction.

The world is interconnected, and any regional, even local, conflict may under present conditions lead to a confrontation of global proportions and general thermonuclear catastrophe. Centers of political and military tension remain at various points of the Asian continent. Their explosiveness is intensified many times over by the foreign policy course of American imperialism aimed at escalating the arms race.

In order to trample down and crush the emergent countries and stop the course of history," M.S. Gorbachev emphasized, responding to questions of the Algerian journal REVOLUTION AFRICAINE, "the forces of imperialism, American primarily, consent to everything--economic sabotage, political provocations and direct power pressure." Washington's actions in various regions of Asia confirm this conclusion. Without American interference in other countries' internal affairs regional conflicts would subside and would be resolved far more easily, rapidly and fairly.

Influential forces exist in Asia and the Pacific which are actively opposed to the militarization of the region, U.S. interference in the internal affairs of its countries and the policy of American imperialism aimed at subordinating the socioeconomic development and policy of this region's states to its own interests.

There are many tangled knots of contradictions in the Asia-Pacific region, and the instability of the political situation continues in a number of places. All this demands an immediate search for the corresponding solutions. We could start with the coordination and then the unification of efforts of all the countries located here for the purpose of a political settlement of painful problems. The seriousness of the military confrontation in various parts of Asia and the Pacific should be reduced simultaneously.

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WEST EUROPEAN POLITICAL DEBATES OVER ECONOMIC REGULATION

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[Article by O. Timashkova, K. Voronov, G. Ponedelko: "Political Struggle and Regulation of the Economy in West Europe"]

[Text] In the system of West Europe's state-monopoly capitalism an important factor of the shaping of economic and social policy is the party-political struggle. The new features in the development of capitalism have made their mark on the nature, scale and direction of political confrontation. They have been brought about by the intensification of its general crisis, which has been manifested in the economic upheavals of the 1970's-1980's--the most serious since the war--the instability of the economy, the slowing of its growth rate, the interweaving of structural and cyclical crises and their social consequences. There has been an exacerbation of all the contradictions and antagonisms of the bourgeois system, primarily between the gigantically increased productive forces and capitalist production relations. Serious malfunctions have come to light in the evolved mechanism of state-monopoly regulation of the economy, and the trend toward reaction in all areas has intensified.

Attempting to adapt to the changed situation, the experienced monopoly capital of West Europe and its political parties are maneuvering constantly. "...This maneuvering," the CPSU Program says, "is being combined increasingly with forcible actions and a direct offensive of the monopolies and the bourgeois state against the working people's living standard." Even greater significance is attached to the "phenomenon of the party-political struggle" against this background.

Proceeding from the fact that the process of capitalism's adaptation to the new situation is complex and nonunidimensional, the authors of the article have endeavored to show the different and at times contradictory forms of its maneuvering, the varidirectional nature of the strategy of state-monopoly capitalism and the nonuniformity of the approach of this political party or the other to the solution of urgent problems of economic policy. Special attention has been given to an analysis of the democratic alternative advanced under these conditions by the communists and the progressive forces which sympathize with them.

Ingredients of the Party-Political Confrontation

The influence of parties and the domestic political struggle on the economic strategy and tactics of the bourgeois state and the decision-making mechanism convincingly confirms once again Lenin's well-known proposition concerning the interdependence of the base and superstructural categories. Lenin's statements: "policy cannot fail to take precedence over economics" and "policy is a concentrated expression of economics,"* complementing one another, reflect the entire complexity and contradictoriness of this interconnection and its dialectics. Particularly important is the idea concerning the relative independence of policy, which is capable of influencing social and economic processes both in a progressive and reactionary direction.

The current stage in capitalism's development with the trend toward increased reaction has sharply exacerbated the political confrontation which has developed in West Europe around the basic goals and methods of state-monopoly regulation of the economy. Whereas 20-30 years ago its principal purpose consisted of easing social tension by way of maintaining a relatively high growth rate, preserving unemployment and pursuing an "incomes policy," now the priorities have changed. The tasks of overcoming the profound structural crisis, which has been reflected particularly unfavorably in the economy of the West European power center, determining the new directions of economic development connected primarily with the rationalization and modernization of production and the elaboration of a "strategy of adaptation" to the current situation have moved to the fore.

It is essential upon investigation of the main lines of the confrontation in the sphere of economic policy to take into consideration approaches to a solution of the urgent problems which are diametrically opposite in terms of their class content. On the one hand we have the democratic alternative advanced by the forces of the left and the unions presupposing a way out of the crisis on a broad antimonopolist platform. On the other, the proven method to which the ruling circles invariably resort in such situations--an offensive against the gains and rights of the working people and their increased exploitation.

Granted the community of class aims of the bourgeoisie, the methods and means of stabilization of the capitalist system as a whole and the national economies in particular are dissimilar. The crisis has exacerbated not only the contradictions between labor and capital. There has been an increase in the discord and disagreements in the capitalists' camp: between the imperialist powers defending their national privileges on the international scene; by the transnational corporations [TNC] and other monopoly groupings struggling for spheres of influence; and by individual factions and detachments of the bourgeoisie--haute, middle and petty--which are experiencing the blows of the crisis variously and reacting to it dissimilarly. The most reactionary detachments of the monopoly bourgeoisie see a way out of the difficulties on the paths of "social revanche," the most liberal circles are disposed in favor of "social maneuvering".

* V.I. Lenin, "Complete Works," vol 42, p 278.

As a result two basic versions of state-monopoly regulation have been determined sufficiently clearly in the economic strategy of the West European governments. One of them is represented by conservative forces, which are relying in their practice on neoclassical (neoliberal), monetarist concepts and giving preference to private-monopoly regulation (Thatcherism in Great Britain, for example).

The other version has been developed by bourgeois-reformist and social democratic circles adhering to positions of dirigisme using predominantly official levers in accordance with Keynesian theory. The latter was, as is known, made the basis of the postwar economic policy of almost all the industrially developed Western countries.* It should of course be considered that the disagreements between the bourgeois parties, in whatever sphere they are manifested, recede into the background in the face of the "collective" hostility toward communism and the countries of real socialism.

The difference in the proposed versions of a way out of the crises and the determination of long-term economic policy has reflected the entire diversity of the capitalist world's political program: domestic policy shifts in each state, a regrouping in the ruling circles, the increased polarization of the political forces and delineation in the parties themselves. In the 1980's West Europe represents a complex picture of various types of government--from extremely conservative and center-right through social-reformist with the "formula for overcoming" the crisis situation and the corresponding set of state-monopoly methods of regulation of the economy inherent in each of them.

Such a division is, of course, conditional, and the boundaries between the groups are mobile. The "changing of the guard" which occurs from time to time, reflecting via the struggle of political forces changes in the social consciousness and moods of the masses, testifies to this. As far as the domestic political struggle within a national framework is concerned, it is characterized by growing disagreements between the government and the opposition, a sharp intensification of the confrontation of the rightwing conservative and progressive forces and protracted government crises.

The seriousness and diversity of forms of confrontation in West Europe on questions of regulation of the economy are connected to a large extent with singularities of the political structures. Thus as distinct from the United States, where the political struggle is traditionally conducted mainly within the bourgeois class, between its two groupings, and there is a virtual absence of a mass workers party, West Europe, as a result of party pluralism, the contradictory interests of diverse social forces differing in terms of their political, ideological and class coloration are focused in these battles.

At the same time, however, the parties are characterized by a relative breadth of social base and electoral corps largely determining the nature of the maneuvering. The political organizations of the bourgeoisie--conservatives, Christian democrats (clericalists), liberals and centrists--as an instrument

* See I.M. Osadchaya, "Conservatism Against Reformism (Two Trends in Bourgeois Political Economy)," Moscow, 1984.

of the financial oligarchy, recruit their electorate from different circles of society--from the monopoly haute bourgeoisie through its middle and petty strata, the intelligentsia, the agricultural population and even the workers. And in this sense these parties are of a mass nature.

An essential singularity of the domestic political life of the region is the scale of the social democratic movement. In no other center of the imperialist rivalry do the social democrats play such an important part in the shaping of economic and social policy as in West Europe. Workers, the petty and middle bourgeoisie, office workers and the intelligentsia are the basis of the social democratic electorate. As a whole, from one-third to one-half of the West European electorate votes for the social democrats and socialists.

It is also essential to bear in mind the assertiveness of the revolutionary parties--the communists and also various radical-left currents. In France, Italy, Finland, Portugal and Greece the communist parties are mass organizations which have a direct impact on the policy of the official authorities, sometimes by way of temporary participation in government coalitions (France, Finland). In Italy the communists, relying on the broad support of the working masses and the unions, in practice almost balance the forces of the right in the shape of the Christian Democratic Party and its allies. In some countries the communist parties cannot for a number of reasons directly influence the shaping of domestic policy processes. But even there they represent a force without which the struggle for democratic transformations in the sphere of the economy would be impossible.

It is far from a matter of indifference to the working class the kind of government with which it has to deal, what the correlation of forces in parliament is and what kind of policy is being pursued by the state. For this reason its representatives are conducting a tireless, consistent struggle for a shift in political life to the left, for the democratization of the legislative and executive organs of power and against the offensive of reaction and the infringement of the people's gains.*

A relatively new phenomenon in the life of West Europe is the stimulation of political forces at the regional level within the EEC framework. Having joined forces in the latter half of the 1970's per the class-social principle in inter-nation groupings ("Europarties"), the leading national parties have an opportunity to coordinate their aims pertaining to common problems of "European building" in a special body--the European Parliament--to which they are directly elected in the Common Market countries.** The democratic forces and the communists represented in the Europarlament are putting up serious resistance to the plans for the creation of a united front of the bourgeoisie and defending the working people's gains and rights, national sovereignty, democracy and peace.

* See "Socioeconomic Problems of the Struggle of Communist Parties in the Developed Capitalist Countries," Moscow, 1981, p 6.

** The article does not examine questions connected with the political struggle over problems of regulation within the EEC inasmuch as they require special analysis (see in this connection "West European Integration: Political Aspects," Moscow, 1985).

West Europe as a whole is also characterized by the considerable mobility of the masses and involvement in a variety of extraparliamentary movements, which imparts even greater dynamism and scale to the political battles.

The economic strategy of the state, which is shaped in final form in the upper echelons of power, is a result not only of party-parliamentary confrontation but the far more complex interaction of various factors. The ruling class operates via a ramified network of organs of the machinery of state, social institutions, the mass media and "pressure groups".

Paramount significance among them is attached to the employers' organizations, which are endeavoring to perform an increasingly important role in the mechanism of state power. The employers' unions in the West European countries (the Confederation of British Industry, the National Council of French Entrepreneurs, the Federal Union of German Industry, the Confederation of Industry in Italy and others), which represent the collective class interests of the national detachments of the bourgeoisie, participate in the adoption of the most important state-political and economic decisions. They influence the fate of bills, prepare special material and recommendations for various organs of power, negotiate with the unions and coordinate actions in the struggle against the workers movement.

The employers' unions are controlled, as a rule, by the leading financial groups of the country. Pertaining to the category of such large-scale "pressure groups" are, for example, the British bank grouping of the City headed by Barclays, the West German "Big Three" (Deutsche Bank, Kommerzbank and Dresdner Bank), the financial groupings of Spain and the Netherlands and such. Each of them aspires to impose on the government its priorities at the time of the compilation and implementation of economic and social programs, the allocation of state appropriations, so-called "selective" financing, obtaining military orders and the pursuit of current economic policy.

Among the influential "big business" groupings exerting an active influence on the parliamentary mechanism and the shaping of economic and social policy are the state-monopoly complexes. Their activity is characterized by the existence of a special mechanism of relations between the monopolies and political institutions, in which their financial resources and administrative-engineering and managerial structures are woven together.

The monopolies also undertake the extensive financing of the political parties and their candidates, intruding upon the course of the party-parliamentary confrontation. Naturally, the lion's share of the resources allocated by the monopolies for an election campaign goes to the bourgeois parties. For example, in the FRG the amount of the so-called "private donations" set aside for the accounts of the CDU/CSU and FDP bourgeois parties in the period 1976-1980 constituted DM50.2 million and DM13.3 million respectively. At the same time, however, in this same period the social-reformist SPD obtained only DM3.3 million.* It is significant that in the period of the SPD-FDP term in office part of the industrial circles, unhappy with the coalition's tax and investment policy and also the government's plans to strengthen the state's positions in the economy, increased their support for the CDU/CSU.

* DIE ZEIT, 12 March 1982.

The monopolies are also involved in direct bribery of statesmen and politicians. The "affair of the century"--the sensational "Flick affair" in the FRG--may serve as a most typical example of this. The essence of this scandalous story, which led to clamorous judicial proceedings, was the systematic bribery and illegal financing of political parties and top statesmen of the country. Bundestag Chairman R. Barzel and other officials directly implicated in the "Flick affair" were forced to resign in the course of the investigation. Even FRG Chancellor H. Kohl, chairman of the CDU, who also received very large donations for the party's needs from the Flick slush fund, proved to be mixed up in this affair.

The influence of "European lobbying" and "pressure groups" is particularly pronounced in countries where rightwing conservatives are in office. Relying on the political decision-making mechanism (parliament, the government) and taking advantage of the entire system of ties to the machinery of state, the monopoly circles are seeking from the government parties the creation of conditions which correspond to the greatest extent to the interests of big capital.

At the same time, however, the dialectics of development are such that a different trend also is opposed to the continued process of the "politicization of the monopolies" and their merger with party-political forces and the strengthening of the rightwing conservative parties in the power mechanism: the stimulation of currents of the left and the growth of antimonopoly sentiments.

Strategy of Adaptation and Tactics of Maneuvering

In line with the delineation of the party-political forces directly shaping economic policy or exerting a certain influence on it, the ruling elite has been faced with the problem of choice of "development model" corresponding to the stereotype of economic thinking, philosophy, ideological principles and class nature of its parties.

Such delineation has been manifested most distinctly in the evolution of the views of the leading political parties on the role of the state, whose functions have expanded and grown markedly with the development of the processes of the socialization, concentration and centralization of production and capital. Using the machinery of state in their own class interests, influential forces of the monopoly bourgeoisie are now less disposed than ever to reconcile themselves to the relative independence of a machinery of state accumulating and redistributing huge national resources, frequently to the detriment of individual monopolies. They are disturbed particularly by the growth of the intrinsic economic potential of the bourgeois state, mainly its direct invasion of the sphere of production and distribution. It is not fortuitous that the slogan "Less state, more freedom!" (freedom for private enterprise, of course) is being heard increasingly insistently in the conservatives' latest programs.

New nuances in the approach to the economic role of the state are being manifested in a most important sphere of the political struggle--the attitude toward ownership. While allowing of state takeovers in extreme circumstances, the bourgeoisie has always regarded them as an extraordinary and temporary measure to protect its interests. The public sector is assigned the role of "safety valve" for restoring the profitability of a sector experiencing difficulties.

The conservative wave which arose on the eve and at the outset of the 1980's contributed to the latest offensive against the positions of the big nationalized sector which has taken shape in postwar West Europe. The policy of denationalization here is being pursued on a broad scale and being accompanied by a noisy ideological campaign. The British Tories have taken the path of the reprivatization under the direct pressure of the monopolies of sectors nationalized earlier. The task of "promoting reprivatization in the service sphere and industrial enterprises" was formulated in the programs of the West German CDU and CSU conservative parties.*

A clearly expressed pragmatism in respect of state ownership is typical of social-reformist circles, particularly if they are represented in government. The social democrats of Sweden and Norway, for example, have counterposed to "democratic nationalization" the reformist "functional socialism" theory. According to this theory, it is necessary to transfer to the state not the means of production and capital but merely individual distributive functions like, for example, the right to dispose of the income of the capitalist enterprise exercised via the taxation mechanism, limitation of entrepreneurial prerogatives in the sphere of management of the firm and others.

It is not surprising that in these countries, despite the lengthy period in office of the social democrats, the dimensions of state ownership are more than modest. Even with regard for the considerable statization in Sweden's economy which has been carried out in recent years, private capital is completely predominant, as before.** Displaying the same pragmatism, in the FRG the SPD entirely subordinates the question of nationalization to the "mixed economy" concept, which combines private and state forms of ownership with preservation of the commanding heights in the hands of monopoly capital.

The demand for nationalization and direct intervention in the sphere of production as a condition of the transformation of society has been preserved as tribute to traditional party rhetoric in the programs of a number of socialist parties, primarily the French Socialist Party (PSF). Its "Socialist Project" assigns a central role to the nationalized sector, which, the authors intend, has to revive the national economy and France's former role in the world.***

However, the actual results of the French socialists' activity have proven highly contradictory. This, inter alia, is attested by the fact that the 1982 nationalization was implemented by way of buying out enterprises from their owners, that is, on the basis of a compromise between political power and

* See "Grundsatzprogramm der Christlich Sozialen Union," Munich, 1977, p 25; "Grundsatzprogramm der Christlich Demokratischen Union Deutschlands," Bonn, Cologne, 1978.

** In Sweden at the start of the 1980's the state accounted for 10 percent of GNP and 10-11 percent of employed persons, whereas in Austria the state accounted for 30 and 25 percent respectively.

*** See "Projet socialiste. Pour la France des annees 80," Paris 1981, p 32.

monopoly capital, and cost the state the huge sum of Fr42 billion. It is also significant that even following enactment of the law the bulk of financial-industrial potential remained in the private sector. In a number of sectors the positions of the monopolies were not affected at all.

Nationalization has been a truly key problem of the party-political struggle in Portugal. A strong public sector controlling 22 percent of the gross domestic product and one-third of all capital investments arose in the course of the revolution of "red carnations". Subsequently, under bourgeois-reformist governments, nationalization as a most important gain of the April 1974 revolution found itself in jeopardy. And even today an acute struggle is underway: the right is demanding the "opening" of the nationalized sector to private enterprise; the left, primarily the Communist Party, is endeavoring to defend the positions which have been won.

As a whole, even the most radical part of the social democracy of South Europe (Spain, Portugal, Greece) has been characterized in recent years by an evolution of views on transformation of the structure of private ownership, the moderation and pragmatism of the economic measures they are implementing, an abandonment of program aims of "socialization" of the basic means of production (the major industrial enterprises and banks) and even the implementation (Spain) of specific measures to reprivatize certain state enterprises.

Another important direction of the party-political struggle is the set of problems connected with "indirect" methods of state regulation. The reduced effectiveness of this mechanism, which has proven practically impotent in the face of the crisis phenomena, has reinforced the antistatist sentiments of a certain part of the monopoly bourgeoisie. The basis of the program aims and policy of the conservative parties in office is the endeavor of the ruling upper crust of the bourgeoisie to use the objective process of the socialization of production in the interests of big capital, having restricted appreciably state intervention in economic processes ("deregulation") and strengthened private enterprise thanks to the redistribution of the "national pie" and the shifting of state resources from the social to the economic sphere.

While putting the emphasis on private-monopoly regulation and the competition mechanism the conservative parties are not, of course, abandoning the traditional budget and credit-finance levers of state economic policy but using them in accordance with the canons of neoclassical theory.

The economic policy of the British Tories, who replaced the Labor Party in office in 1979, is distinguished by cruelty and extreme conservatism. Setting as its task a lowering of corporation tax and the "restoration of profit," as formulated in the party's program declaration "The Right Approach to the Economy,"* the M. Thatcher cabinet sought in every way possible a reduction in the overall amount of state spending and budget deficits mainly by way of a winding down of social programs and an offensive against the working people's living standard and the unions.

* "The Right Approach to the Economy," London, 1977, p 39.

The result of this socioeconomic policy was an exacerbation of the domestic political situation in the country. The British miners' strike lasted almost a year, and sharp disagreements came to light in the ruling party itself. Government policy was sharply criticized by, for example, the Conservatives Center Forward! group of the prominent Conservative F. Pym.* M. Thatcher's cabinet reshuffle in September 1985 failed to change the situation. As the British press observed, government concepts and policy have remained the same.**

A somewhat softened, "continental" version of conservatism is being demonstrated by the governments of other West European countries. The program of the CDU/CSU-FDP conservative-liberal coalition which has come to power in the FRG (1982), while undoubtedly testifying to a certain shift toward private-monopoly regulation with all the attributes of "austerity," has nonetheless permitted, albeit in a highly limited volume, reforms in the spirit of the "social market economy".

The actual experience of the government of bourgeois cabinets in Sweden (1976-1982) is of considerable interest. The "comprehensive economic recovery program" drawn up here provided for a broad set of neoliberal methods of solving acute, primarily structural, problems, mainly thanks to a reduction in outlays on wages, which were allegedly too high, and social spending. The bourgeois parties attempted to dismantle the so-called Swedish model of the "welfare state" which had evolved in the years of the long term in office of the social democrats and attacked the public sector. The bourgeoisie's offensive brought about the decisive opposition of the working people and the unions and increased general social tension. At the 1982 and 1985 parliamentary elections the electorate preferred the Social Democrats.

The complex and contradictory evolution which is currently taking place in West European social democracy and its socioeconomic views is connected with the deepening of the general crisis of capitalism. On the one hand the radicalization and turn to the left of certain national parties with the advancement of alternative programs counterposed to the purely bourgeois models of economic development, as far as a demand, in words, at least, for a "break with capitalism" and a search for new allies, from the left included. On the other, preservation of the traditional propositions of social-reformism and sometimes even the abandonment of important principles of the workers movement and rapprochement with bourgeois-liberal circles both in theory and in practice. The regrouping of forces and continued differentiation are under way in the parties themselves.***

The SDP program adopted in 1975**** may serve as an example of a compromise approach to problems of state regulation. This program document, the result of a clash of different viewpoints and currents within the party, testifies to an

* See FINANCIAL TIMES, 17 May 1985.

** See THE GUARDIAN, 3 September 1985.

*** See B.S. Orlov, "Social Democracy in the 1980's" (RABOCHIY KLASS I SOVREMENNYI MIR No 1, 1986).

**** See "Oekonomisch-politische Orientierungsrahmen fuer die Jahre 1975-1985," Bonn, 1975.

attempt to combine the market and regulating principles and create, in the estimation of the Communist Party organ MARXISTISCHE BLAETTER, a reformist version of state-monopoly regulation adapted to the new domestic political and international situation.*

As a result of the Labor Party split a new force has joined the political game in Great Britain--an alliance of Social Democrats and the Liberals offering its solutions of socioeconomic problems. But they are essentially little different from the liberal and centrist versions of the bourgeoisie. As far as the Labor Party is concerned, its right wing adheres, as before, to positions of traditional social-reformism (the "mixed economy" principle, the "welfare state," the "third development path" and such). Relying on the unions, the grouping of Labor Party leftwingers (headed by A. Benn) is attempting to advance alternative proposals. They include nationalization of the main sectors of industry and financial institutions, a strengthening of state control over capital investments and the activity of the monopolies and an extension of the social security system.

The socialist parties of France, Greece, Spain and Portugal presented, on assuming office, programs of important socioeconomic transformations. The PSF's "Socialist Project" proceeded from the idea of the creation of a new system of relations based on a change in economic structures and forms of ownership and the increased political role of the working class. In a situation of serious economic difficulties engendered by the crisis and fierce opposition on the part of the right to the French Government, which, as is known, included representatives of the Communist Party, it was nonetheless possible in a comparatively short time to achieve certain positive results in the socioeconomic sphere. However, under strong opposition pressure and in defiance of the opinion of the communists in the first 2 years even the government consented to considerable concessions to the employers. The logic of the concessions led to yet further compromise.

Subsequently changes occurred in government policy testifying to a departure from the proclaimed course of economic growth, an expansion of domestic consumption and an increase in social justice. The attempt to adapt to "international realities" with the help of traditional methods of bourgeois regulation led to France finding itself following the lead of the policy being pursued by its EEC and NATO partners. Under the conditions of the unswerving slide of the government to the right the communists were forced to renounce participation in the new cabinet formed by the socialists in July 1984.

The "austerity" policy, which was essentially little different from the policy of rightwing conservative parties in other West European countries, disoriented and disillusioned millions of French voters. At the 16 March 1986 parliamentary election victory went to the two biggest parties of the right--the Rally for the Republic and the Union for French Democracy. With the formation of a rightwing conservative cabinet, given preservation of executive power in the hands of a socialist, a highly complex kind of diarchy situation has arisen. It is obvious that under these conditions an even more serious and conflict nature

** See MARXISTISCHE BLAETTER No 1, 1983, p 10.

will be assumed by the political struggle surrounding the key issues. The bourgeois bloc is already raising the question of a sharp reduction in state intervention in the economy and denationalization.

Granted all its heterogeneousness, the "socialist model" of the social democratic forces of South Europe is oriented toward an intensification of the process of democratization in the political and socioeconomic spheres (the task of the so-called transitional, anti-imperialist and anti-latifundist period), a rebuilding of the backward economic structures, a fairer distribution of national income, a strengthening of the state's economic and social functions, decentralization of the economy and the development of a system of national planning based on the principles of regional self-management and interregional solidarity. A most important target principle of Mediterranean social democracy is support for small business, a weakening of the power of the monopolies and the development of cooperative forms of business. However, the socialist parties' practical activity testifies to their gradual departure from these program principles.

Together with the elaboration of long-term economic strategy a central place in the programs and policy of the West European parties is occupied by the question of overcoming inflation and unemployment. But even in this case the versions of a solution of these pressing problems proposed by this party or the other are dissimilar. Having made a curbing of the rate of inflation the cornerstone of domestic policy, the M. Thatcher cabinet is striving for this with the aid of monetarist methods. The lowering of the inflation rate from 14 percent in 1982 to 5-6 percent in 1985 was the direct result of reduced spending on social needs, an increase in indirect taxation and the contributions of the workers and employees themselves to social insurance funds and a curbing of the growth of wages.

In Denmark the first act of the P. Schlouter conservative government in combating inflation was the abolition of an important working class gain--the indexing of wages, that is, an automatic increase therein in line with the rise in prices. Many other West European governments, center-right included, have abandoned the "sliding scale" of wages. This is the essence of the "Cost of Manpower" decree adopted by the B. Craxi government in 1985, in spite of the opposition of Italy's class trade unions and forces of the left.

The problem of mass unemployment--the social calamity of the "free world" and a serious factor of the undermining of the stability of bourgeois society--is at the focus of the political skirmishes. In 1985 the number of unemployed in West Europe exceeded 20 million (over 11 percent of the active population on average). In a number of countries, Spain, Portugal and Ireland, for example, 15-20 percent of the work force is without a job. It is natural that in this situation, which is fraught with far-reaching social and political consequences, there is no party which is not addressing the unemployment problem.

The concepts and practice of the conservatives conceive of its solution at the microlevel of private-monopoly regulation (thanks to a reduction in the work week and the enlistment of the resources of the working people and the unions themselves). The dirigistes and, particularly, the social democrats are

proceeding along the path of an expansion of state programs in this sphere, the creation of additional jobs, in the public sector included, and the use of special labor market regulation mechanisms and funds connected with this goal.

Thus the delineation of the types of state-monopoly regulation has reflected specific forms of the adaptation of contemporary capitalism to the new situation and the scale of priorities and set of weapons employed by the ruling upper crust of the bourgeoisie in its offensive against the vital rights of broad strata of the population. As a counterweight to the strategy and tactics of the monopolies, the communist parties of West Europe and the unions are drawing up their own, alternative democratic programs corresponding to the working people's true interests.

The Democratic Alternative--Program of Radical Change

A certain shift has occurred in the past decade in the approach of the West European workers movement to the formation of socioeconomic programs. Many of them have essentially acquired an antimonopoly focus. This has been reflected in documents and studies of a number of trade union centers, which have noted the existence of the general crisis of capitalism and which call for struggle against the domination of the monopolies and finance capital.

The most populous class trade unions of the region--France's General Confederation of Labor (CGT), the General Italian Labor Confederation (CIGL) and the General Confederation of Portuguese Workers-Nacional Intersindical--and also a number of sectoral unions have connected the problem of a way out of the crisis situation of the 1970's--start of the 1980's (with its grim socioeconomic consequences for the working people) when drawing up the democratic alternative with the need for a broad antimonopoly struggle against capitalist exploitation and for radical social change. The trade unions of this school are endeavoring to structure their demands as a common platform for all progressive and democratic forces of their countries.

In advancing alternative solutions West Europe's class trade unions are attempting primarily to create new models of national economic development. Their main content amounts to the need for a structural rebuilding of the economy, nationalization of the key sectors and an expansion of the public sector, democratization of investment policy, limitation of the influence of the financial oligarchy and the TNC and so forth. Demands for the admittance of the working people to production management and a broadening of democratic rights and liberties constitute an appreciable part of the programs. The unions' proposals also contain a program of social renewal and profound social transformations aimed at an improvement in the working people's situation.

The formation of the anticrisis programs of the other branch of the trade union movement in West Europe--the reformist trade union centers--is being influenced by the differentiation within their ranks and the increased influence of the forces of the left. An important feature of this process is the radicalization of the socioeconomic programs and the appearance therein of an antimonopoly thrust. The latter circumstance is connected with the fact that the reformist trade union leaders of the FRG, Austria and the Scandinavian countries have been forced to consider the new sentiments and demands of the working people.

The interaction of these lines in the unionized workers movement is taking place under the complex conditions of pressure on the part of monopoly capital. Some class trade unions are succumbing to this pressure to a certain extent. Thus, for example, on the frontier of the 1980's the CIGL leaders presented ideas of "restraining" the working people's struggle for increased wages. The same trend can be observed in the trade union movement of other West European countries.

At the same time, however, as the Soviet scholar V.A. Vinogradov observes, under the influence of the changes connected with the evolution of the trade union movement there is a growing understanding even in the reformist trade union centers of the inevitability of the transition "from a struggle for distribution of the produced social product between labor and capital to a struggle for participation in economic decision-making and the elaboration of economic and social policy at all levels--from the enterprise through the national economy, in short, to a struggle for the democratic control of production."*

The new trends in the development of the workers movement are being taken into consideration by the majority of West Europe's communist parties. When drawing up their programs for socioeconomic transformation they closely coordinate the proposals for a democratic way out of the crisis with the pursuit of a specific antimonopoly policy oriented toward a socialist perspective. The programs are at times drawn up in complex theoretical quest and clashes of opinions within the communist parties themselves, which are united, however, in formulation of the common task--weakening the economic foundation of the monopoly bourgeoisie, putting the activity of the state and public and private sectors of the economy under democratic control, ensuring the working people's access to management of production units and the national economy as a whole and influencing the shaping of pertinent political decisions.

Of course, as the CPSU Program observes, "...the communists of each country are analyzing and evaluating the situation independently and individually determining their strategic course, their policy and the choice of this path or the other of struggle for immediate and ultimate goals and for communist ideals." For this reason the specific programs elaborated by the West European communist parties have their singularities which reflect the specifics of national development, the level of class confrontation and such. The programs of the communist parties of a number of countries, of the FRG and Scandinavia, for example, pose the question of the creation of antimonopoly democracy aimed subsequently at changes in favor of the revolutionary direction in the workers movement. The prerequisites for this exist. The majority of working people could support the democratic alternative.

Thus in the current program of the German CP adopted in 1978 at the Mannheim congress an important place has been occupied by the question of the party's orientation toward struggle for a turnabout toward democratic and social progress. The tasks of this period of struggle may be tackled within the framework of the capitalist system, whereas antimonopoly democracy is the stage of revolutionary

* V.A. Vinogradov, "Worker Control of Production: Theory, History, Present Day," Moscow, 1983, p 283.

struggle under conditions transitional from the capitalist to the socialist system. Thus, the German CP program points out, it is necessary to bear in mind both the independent significance of the turnabout toward democratic and social progress and its intrinsic interconnection with the struggle for antimonopoly democracy.*

The democratic alternatives elaborated by West Europe's communist parties testify to a new stage of the communists' mastery of the economic form of class struggle. Many of them will obviously have in the 1980's to update their programs and determine the tasks for the immediate future. Although the period of the formation of these programs is not yet complete and this problem or the other is emphasized variously in the socioeconomic platforms, it is nonetheless possible to distinguish the principal common propositions therein.

The democratic nationalization of the major monopolies operating in all spheres of economic life should, the communists believe, serve as the economic basis of the democratic alternative. Such nationalization will on the one hand contribute to the further development of the productive forces and, on the other, could be an important landmark en route to fundamental social transformations. The communists have in mind here not only the fundamental significance of this measure demonstrating the possibility of managing production without capitalists but also the capacity of the mass movement of working people to change the course of development of the public sector.

After all, even at present the bourgeois state has been forced in overall class interests to infringe the interests of individual monopolies. It is important only to convert these episodes into a stable trend. "The nationalization program and the scale thereof," D. Sarlis, member of the Greek CP Central Committee Politburo, observed, "should correspond to the requirements of antimonopoly development, the correlation of forces and general socioeconomic conditions. Initially it is essential to carry out nationalization in the sectors of strategic significance for our economy such as the mining of minerals, petroleum refining, shipbuilding and cement industry and in sectors of particular importance to the population like, for example, fertilizer production and pharmaceutical industry."**

The communists of the FRG, Belgium and Denmark are emphasizing in their demands for the major monopolies to be taken into state hands the particular need for the pursuit of a democratic energy policy. The transnational companies use control of energy supplies as an important means of obtaining superprofits and establishing power over the machinery of state. For this reason nationalization of the energy sector is a basic proposition of the democratic alternative.

Considering the singularities of West Europe's economic structure and the existence of a large number of small and medium-sized enterprises, the communists are not posing the question of the abolition of private ownership of all means

* See "Programm der Deutschen Kommunistischen Partei" (UNSERE ZEIT, 25 October 1978).

** D. Sarlis, "Nationalization--In Whose Interests?" (PROBLEMY MIRA I SOTSIALIZMA No 2, 1984, p 63).

of production, particularly in respect of the petty proprietors who do not have hired manpower.

At the same time the working class and progressive forces are having increasingly often and decisively to repulse attacks of the forces of the right striving to reprivatize public ownership. As F. Muhri, chairman of the Austrian CP, emphasized in his speech at the 27th CSPU Congress, "the defense and expansion of the nationalized sector are not only in the interests of securing employment but also first and foremost of the defense of democracy, national independence and permanent neutrality." Thus the biggest protest of the working class in the past 2 decades took place in Austria's worker centers in January 1986. More than 50,000 workers and employees took part in the demonstration and meeting to ensure employment and oppose the plans to transfer the nationalized Voerst Alpena concern to private capital.

Another important proposition of the democratic alternative is the practice of democratic programming (planning), management and control. Among the measures to transform society the decisions of the 18th Finnish CP Congress emphasize the task of the "creation of an all-state democratic system of the planning of economic and social development."* Such planning is geared to the solution of urgent national economic problems in the interests of the people's masses at large. Figures of the communist parties of Denmark, Italy, Spain, Sweden and Finland, for example, propose a concentration of efforts on equalizing the economic development levels of individual regions, doing away with structural-economic disproportions, removing centers of chronic unemployment and so forth.

Planning must be based on a nationalized sector given democratic control of a country's credit-finance system and the just distribution of national income in favor of the masses at large. This is realized not only by way of a rise in wages and the limitation of monopoly profit but also thanks to an increase in social spending via central and local budgets.

As a whole, when drawing up programs of socioeconomic development communists take account of the singularities of the current crisis of capitalism. "We are experiencing a crisis of THE VERY TYPE OF TECHNICAL DEVELOPMENT AND SOCIAL LIFE," G. Marchais, general secretary of the PCF, wrote. "And the source of this crisis, furthermore, is the crisis of capitalism, the crisis of the system of its world domination."**

Paramount attention is paid in the communist parties' anticrisis programs to questions which profoundly affect the broad strata of the population: the fight against inflation and unemployment, wages, the position of the youth and women, the right to work, education, a reduction in military spending and environmental protection. The problem of employment, for example, was at the center of attention of an international symposium held in the spring of 1984 in Athens in which the representatives of a number of communist and

* Quoted from T. Sinisalo, "The Alternative: Leftward Policy," Helsinki, 1981, p 130.

** G. Marchais, "The PCF: Challenge to the Capitalist Crisis" (KOMMUNIST No 1, 1983, p 115).

workers parties of capitalist countries took part. An important conclusion drawn at the meeting was that the present superunemployment is not a transitory phenomenon but a long-term trend rooted in a sharp exacerbation of the general crisis of capitalism and the policy of the monopolies."*

The communists' alternatives are linked most closely with the preservation of peace and prevention of nuclear war and the struggle against the American intermediate-range missiles on European soil and the "star wars" plans. The communists resolutely oppose the transatlantic and European supporters of the arms race, the increase in military spending, militarization of the economy and a strengthening of the military-industrial complexes. There is no trade union center in West Europe today, the documents of the International Trade Union Committee (Dublin Committee) for Peace and Disarmament meeting held in February 1984 in Glasgow observe, which is not opposed to the new nuclear weapons, rightly regarding their deployment as a useless waste of huge resources. But there is not enough of them for combating the horrifying unemployment and a solution of the other problems impeding social and economic development on the continent!

Similar propositions with certain nuances are being advanced not only by the communists but also other parties more to the right in the political spectrum--the social democrats and socialists, the recently emerged, but active "Greens" and mass social movements. This creates serious prerequisites for the unity of action of broad strata of the population in favor of a way out of the crisis on a democratic basis. The coincidence of the fundamental interests of the majority of the population of the capitalist countries is objectively preparing the basis for the unification of all democratic forces and the creation of a broad front of struggle against the antipopular policy of monopoly capital and for profound socioeconomic transformations.

* See PROBLEMY MIRA I SOTSIALIZMA No 5, 1984, pp 38-48.

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CEMA ECONOMIC INTEGRATION: CAPITAL INVESTMENT

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 5,
May 86 (signed to press 11 Apr 86) pp 72-79

[Article by A. Belovich: "Significance of Capital Investments in the CEMA Countries' Cooperation"]

[Text] The accelerated transition of the economy to an intensive path and its increased efficiency primarily on the basis of an improvement in the structure of social production, the rational use of existing material and labor resources, fixed capital and S&T potential, a rise in the engineering level, reliability, service life and quality of products, the extensive introduction of the latest results of S&T progress and a constant reduction in the material-, energy- and labor-intensiveness of production and also a further refinement of planning and management and the socialist organization of production pertain among the CEMA countries' most important tasks in the economic sphere at the current stage.

The CEMA countries' transition from the extensive to a predominantly intensive path of development presupposes a further extension of reciprocal economic and S&T cooperation, which, as the meeting of secretaries of the central committees of the CEMA countries' fraternal parties (20-21 May 1985 , Moscow) observed, "is assuming an ever increasing role in the intensification of social production." A principal prerequisite of the success of this process is fuller use of the advantages of the division of labor and the extension of socialist integration.

The development of cooperation within the CEMA framework is becoming an immanent part of the intensification process. The intensification of the economy is connected with the internationalization of economic life, which is making necessary the efficient solution of the most important socioeconomic problems of each interested member of the socialist community (given the existence of the intrastate conditions for intensification).

The CEMA countries are not yet taking advantage of all possibilities of the international division of labor for accelerating the intensification of the economy. Not a simple increase in foreign trade turnover and the number of foreign economic undertakings but a gradual increase in the efficiency of all forms of economic and S&T cooperation corresponds to current requirements.

Transition to the intensive development path of the national economies presupposes also intensification of their interaction aimed at the more efficient use of all factors of economic growth, including capital investments. For this reason importance is attached together with measures of an intrastate nature to enhance the fruitfulness of investments to their coordination within a CEMA framework.

I

Capital investments are the main factor of expanded reproduction and also a most important means of the formation and improvement of national economic proportions. In principle all investments have an impact on these proportions, and changes in the direction of investments ultimately determine the sectoral structure of the national economy. They are also extraordinarily important for the application of the latest results of S&T progress in production inasmuch as these achievements are realized, as a rule, via the investment process. It is in the course thereof that new production complexes and enterprises are created and operating ones are modernized and retooled. For this reason it is important that the compilation of plans for the reproduction of fixed capital and capital construction be preceded by determination of the main directions of the realization of S&T progress.

Capital investments are closely connected with foreign trade for their focus and structure largely predetermine the extent of a country's participation in the international division of labor. The volume, structure and directions of foreign trade, its efficiency and the export-import correlation are the consequence of the CEMA countries' long-term investment policy.

A big influence on capital investments in individual sectors of industry and types of production is exerted by the actual conditions of the world commodity markets. Thus in all CEMA countries facilities of an import-substituting nature have priority when it comes to inclusion in the capital construction plan. Their purpose is to reduce or eliminate unjustified purchases in the capitalist countries.

There are other ties between foreign trade and capital investments also. The construction of a number of facilities in the phase of completion of construction-installation operations frequently depends on imports of engineering equipment, and the output of a number of investment sectors of machine building is an important channel of currency proceeds. In addition, following the commissioning of facilities, much fixed production capital becomes an essential source of a given country's export resources. Sometimes the production activity of commissioned facilities depends on imports of raw materials or other commodities (semimanufactures, units, parts) from other countries.

The reciprocal ties between the capital investments and foreign economic relations of the CEMA countries are intensifying under current conditions. Economic integration is affecting not only the proportion of capital investments which is attracted to a given process but other types of investments also. The direction of capital investments is influenced by such indicators as

the comparative efficiency of imports and domestic production of commodities, the correspondence of the optimum production capacity to the requirements of all interested countries and the partners' possibilities and so forth.

The questions of the reasons for the increased role of capital investments arises in this connection. There are many such reasons, and they are all connected with the accomplishment of specific socioeconomic tasks. The most important of them are catering for the economy's long-term need for various commodities by way of a concentration of forces and resources at agreed capital construction facilities; acceleration of the construction of large-scale investment projects with the aid of the mobilization of the material, financial and labor resources of the countries concerned; and assistance by way of the efficient national economic and international combination of the corresponding factors at the time of the creation of capacity of the optimum dimensions (in many cases the resources of a single country are insufficient for this).

The following facts attest the efficiency of the participation of the capital investments of the CEMA countries concerned in the international socialist division of labor. According to GDR specialists' calculations, the 2.8 billion cubic meters of natural gas obtained by the country annually via the "Soyuz" gas pipeline are the equivalent of 20 million tons of lignite, whose mining and treatment requires 2.5 times more resources than constituted by the country's several participation in the construction of the gas pipeline.* According to their estimates, the GDR, which is taking part in the construction of the Ust-Ilim Pulp and Paper Works (USSR), obtains a 60-percent savings on capital investments per unit capacity.** The result of the cooperation of the USSR and the GDR in the construction of a hardware plant (Magdeburg) was a reduction in the assortment of the manufactured products from 326 to 218 types with a growth in the production volume of 280 percent. The series nature of production increased by a factor of 1.5-3, labor productivity increased and the material intensiveness of production declined.***

In the light of its participation in the construction of the Khmel'nitskaya AES the CSSR will receive annually as of 1988 some 3.6 billion kilowatt-hours of electric power, which corresponds to a power capacity of 600 megawatts. The construction of a power station of such capacity would require approximately 5 billion koruna and the annual consumption of 3.4 million tons of lignite. The credit extended by Czechoslovakia, on the other hand, is far less than the said sum.****

Among the other reasons is the growth of labor productivity and profitability compared with analogous national enterprises, the rise in product quality and the competitiveness of the CEMA countries' commodities on the

* EKONOMICHESKOY SOTRUDNICHESTVO STRAN-CHLENOV SEV No 1, 1979, pp 85-86.

** "Wissenschaftliche Zeitschrift der Karl Marx Universitaet Leipzig".
Gesellschafts- und Sprachwissenschaftliche Reihe 1978, p 399.

*** "Zentralinstitut fuer Wirtschaftswissenschaften der ADW der DDR," Berlin, 1981, pp 8-10.

**** PLANOVANE HOSPODARSTVI No 8, 1980, p 76.

world market and the elimination of the unwarranted technical and engineering dependence on the capitalist countries on the basis of the rapid application in production of the achievements of science and technology.

The increased efficiency of the concentration and mobility of investment resources is intensifying the international socialization of production and labor. Thus, the Hungarian economist D. Kovacs believes, decisions on the construction of major facilities and the development of new types of production may be adopted only following ascertainment of the actual possibilities of cooperation, the provision of raw material and energy, the acquisition of equipment and export prospects.*

Upon an evaluation of the influence on the CEMA countries' economy of certain forms of cooperation connected with major investments, I. Frisch, an economist from Hungary writes, it may be concluded that they will determine the production structure and the territorial location of the productive forces and influence the training of specialists in the country in which the capital is being invested. They could also have a considerable impact on the production structure, composition of the specialists, capital resources and financial position of the other countries participating in the cooperation.**

The development of the CEMA countries' cooperation in the capital investments sphere is intensifying the processes of socialist economic integration inasmuch as it is connected with the interweaving of reproduction processes internationally. Economic interaction, the mutual complementariness of the economies, the interdependence of intrastate productive forces and so forth are increasing. The problem of the transition of quantity to quality, that is, transition from one level of integration to another, also arises on this basis. The intensification of the economy presupposes a concentration of resources, investment resources included, on the accomplishment of the most important national economic tasks. For this reason the development of cooperation in the capital investments sphere is promoting the transition of the CEMA countries' economy to an intensive path of development.

II

The CEMA countries' investment cooperation signifies the plan-geared unification and/or concerted use on an international contractual basis of material, financial and labor resources and also S&T achievements in the process of the reproduction of fixed capital per selected sphere and facilities, in third countries included. It is a question of the plan-oriented joint or coordinated actions of the countries concerned in the reconstruction, modernization and expansion of capacity which has already been created or is under construction.

* See D. Kovacs, "Hungary's Participation in the CEMA Countries' Cooperation in the Sphere of Planning Activity" (EKONOMICHESKOYE SOTRUDNICHESTVO STRAN-CHLENOV SEV No 12, 1983, p 27).

** See I. Frisch, "Regularities of the CEMA Countries' Cooperation" ("Essence and Historical Place of Socialist Economic Integration in the Formation and Development of the World Socialist Economy". Material of an International Scientific Symposium, Moscow, 1978, p 32).

Cooperation in the capital investments sphere encompasses the countries' interaction at all or individual stages of the preparation and realization of the investment process. It is a question of participation in plan and predesign studies, the preparation of plans, the granting of credit both in transferable rubles and convertible currency, supplies of machinery and engineering equipment and construction materials, mechanisms and structures and construction-installation and startup-adjustment operations and also of obtaining the products or services from the facilities built as a result of the cooperation.

Such interaction begins from the time of the adoption of the decision on participation in the investment process and continues in the period of the corresponding scientific research, design and planning work and the construction (reconstruction, modernization or expansion) of the actual facilities. It also includes activity pertaining to imports and exports of commodities and services from the facilities being built and ends when the term of the international agreement has expired.

Investment cooperation presupposes the more rational use of national resources compared with the remaining investment possibilities of each country (expansion of the domestic manufacture of the corresponding types of product or the investment of resources in the production of the export equivalent to pay for commodities acquired on the world market). Investment cooperation is closely coordinated with other forms and areas of economic interaction and also with the accomplishment of tasks pertaining to satisfaction of the product and service requirements arising in other forms of relations (in foreign trade, for example). It is thereby on the one hand derived from these forms and, on the other, affords an opportunity for their investment support.

At the same time investment interaction is distinguished from the remaining forms of the CEMA countries' cooperation. Its specific singularities are its long-term nature brought about by the length of the periods of construction and use of the results of joint investment activity; their interlinkage with other spheres of cooperation; the asynchronism of outlays and results and reciprocal supplies of the corresponding commodities and cost flows, which is manifested distinctly in credit forms; and the comparatively slow rate of turnover of expended resources. The specific features of investment cooperation are also conditioned by singularities of the capital construction process itself--the unique character of many facilities, the multicomponent nature of the composition of the end construction product, appreciable differences in the national systems of organization, production engineering and norm-setting, the influence of natural-climate conditions and so forth.

The purposes of cooperation in the capital investment sphere consist of the following:

the more efficient and timely satisfaction of the national economy's long-term essential commodity requirements by way of the concentration of forces and resources at agreed capital construction facilities;

economic and S&T independence by way of the concerted development of the material-technical base of science-intensive processes and the manufacture of vitally important products and also the creation of import-substituting works;

the accelerated development of the priority areas of the economy and economic and S&T cooperation requiring major expenditure with the aid of the mobilization and unification of investment resources;

assistance to the formation of a mutually complementary production structure thanks to a rationalization of the location of the productive forces within the framework of the entire socialist community and the concerted creation of capacity of the optimum dimensions;

assistance to the mass equipment-engineering renewal of production capital based on fundamentally new techniques for an acceleration of S&T progress, the growth of the competitiveness of manufactured commodities on the world market and so forth;

rationalization of the use of investment potential and promotion of its growth.

A basic condition of the development of investment cooperation is the CEMA countries' interest in the solution by joint efforts of large-scale and complex national economic problems. And this is achieved only when participation produces higher economic benefits compared with what each country would derive given the organization of its own production of the corresponding products.

Investment cooperation has promoted the accomplishment of many of the CEMA countries' socioeconomic tasks. Experience of the joint construction of major national economic facilities has been accumulated in the course thereof. At the same time it could be expanded and intensified appreciably in accordance with the demands of the intensification of the members' economies. "There are still considerable reserves," the statement on the guidelines of the further development and extension of the CEMA countries' economic and S&T cooperation (June 1984) observed, "for an expansion of mutual cooperation, an intensification of the specialization and cooperation of production and an increase in reciprocal trade in the interests of the more efficient use of the fraternal countries' production and S&T potential and the increased well-being of their peoples." The leaders of the countries' communist and workers parties and the heads of government who participated in the top-level CEMA Economic Conference (1984) reached unanimous agreement on a need for a further expansion of the scale and the increased efficacy of this cooperation.

III

A most important task set by the top-level CEMA Economic Conference is the effective coordination of capital investments. It is primarily a question of the investments which contribute to an improvement in the production structure, the achievement of the greater mutual complementariness of the national economic complexes, the growth of export potential, the availability of fuel and raw material and their economical use, the increased engineering level of production, the assimilation of progressive technology, the development of

transport communications and an improvement in the balance of payments. An integral part of these measures should be the increased fruitfulness of the economic mechanism of cooperation within the CEMA framework and its efficiency and a refinement of individual components of this mechanism with reference to investments.

All this could, as M.S. Gorbachev, general secretary of the CPSU Central Committee, observed at the dinner in honor of G. Husak, general secretary of the CPCz Central Committee and CSSR president, on 31 May 1985, contribute to "the search for the optimum, most effective mechanism of the CEMA countries' cooperation and the introduction of economic forms and methods which would stimulate a unification of forces in material production and in R&D. Understandably... both reaching the foremost frontiers in science, technology and technique and the creation of a more flexible and efficient cooperation mechanism are closely interconnected."

Transition from the coordination and realization of individual plans of investment cooperation on a multilateral basis to the organization in selected areas (sectors, types of production) of a system of interlinked measures based on coordinated investment policy could primarily contribute to the accomplishment of tasks in this sphere. The spheres of its coordination should be determined on the basis of general concepts or long-term comprehensive programs of development of the chosen areas. Among these pertain investment measures in the priority areas of economic and S&T cooperation requiring major expenditure; promotion of the CEMA countries' technical-economic invulnerability; satisfaction of the community's raw material, energy, food and consumer commodity requirements; and also development of the material-technical base of the investment complex sectors.

The joint programs of the development of the selected types of production for 10-15 years should contain not only the final goals and requirements of the individual countries concerned. It is essential that they indicate ways, forms and methods of cooperation which take account of the possibilities and national interests of each country.

Their capital investments will be coordinated on the basis of determination of the necessary investments which the countries concerned have to make for the production of this product or the other. Possible methods of cooperation will be studied and questions of the start of new construction, the modernization or expansion of available capacity, its optimum dimensions or rational territorial location and choice of technology with regard for the available raw material resources and engineering level will be decided simultaneously. It is necessary to take into consideration here in which interested country the conditions most conducive to production, skilled personnel, experience, raw material and so forth exist. Mutually coordinated types of products should be produced on the basis of international specialization and cooperation in the sphere of science, technology and production.

An important result of the realization of joint long-term concepts or long-term comprehensive programs of the development of selected types of production is the consistent transition of investment cooperation from individual projects to sectors and types of production processes. It is a question of the fact that

under current conditions there is an inevitable decline in the fruitfulness of partial, inadequately coordinated measures aimed at perfecting individual aspects of economic cooperation.*

Consequently, it is essential to switch from the coordination and realization of individual projects to the establishment of a system of interlinked integration measures, a system based on the program-target approach. Such an approach creates the prerequisites for the linkage of S&T, investment and production cooperation. Certain experience in this sphere has been accumulated, in particular, in connection with the elaboration of the long-term target programs of cooperation and also bilateral programs geared to a prolonged period. The CEMA countries have bilaterally already signed 17 programs for the development of economic and S&T cooperation up to the year 2000.

Long-term comprehensive programs of concerted types of production processes drawn up in accordance with the "science--technology--capital construction--production--marketing" cycle essentially mean the elaboration of an outline of the international location of the given types of processes. This will contribute to the achievement of the greater mutual complementariness of the national economic complexes and the creation of interstate complexes per specific types of production processes.

A further increase in the efficiency of economic interaction as a whole and investment interaction in particular demands the increased comprehensiveness of the planning and realization of measures of S&T, production and investment cooperation based on the program-target approach.

The preferential development of S&T cooperation should be an indispensable condition of the comprehensiveness not only of investment interaction but also of all large-scale economic problems being tackled by the CEMA countries. This is demanded by the need for the accelerated application in mass production of the achievements of S&T progress--a most important condition of the transition to the intensive path of development. The closer coordination of S&T and investment policy both within individual CEMA countries and on a socialist community scale is needed for this.

The elaboration and realization of the Comprehensive Program of the CEMA Countries' S&T Progress for 15-20 Years and also the long-term comprehensive programs of cooperation in the priority spheres, primarily machine building, radio engineering and electronics, demand concerted action in the sphere of investment support. This is particularly important because the wide-ranging technological revolution in the material-technical base of production is inevitably bringing about the departure of large amounts of fixed capital. The peak loads on the countries' investment complexes are connected with this. The very departure of obsolescent and obsolete equipment is assuming a permanent and dynamic nature.

* See Yu. Shiryayev, "The World Economy: New Technological and Socioeconomic Development Factors," Moscow, 1984, p 129.

An actual result of the orientation of cooperation toward an acceleration of S&T progress will be a growth of the CEMA countries' investment potential and their capacity for tackling in opportune and high-quality fashion tasks of the equipment-engineering renewal of production and other pertinent tasks of investment policy.

For the purpose of the speediest assimilation of new types of product it is essential to unite efforts from R&D through series introduction based on the coordinated development of production capacity. For this reason it is necessary even at the stage of the elaboration of the long-term comprehensive programs to determine the volume of manufacture and consumption of the new equipment and reach agreement on which countries will be their (sic) producers and consumers. The corresponding changes in the production structure and the allocation of capital investments are needed for this. After all, their efficient use will lead to the development of the intrasectoral specialization and cooperation of production closely linked with investment and S&T cooperation.

The importance of joint work on an acceleration of S&T progress was also emphasized in M.S. Gorbachev's speech at the meeting with G. Husak (May 1985): "It is today the key to the intensification of social production, a rise in the level of public well-being and an improvement in the entire socialist way of life. And, of course, a strengthening of the socialist countries' defense capability."

A way to perfect the coordination of capital investments, which was discussed at the Economic Conference, is the search for optimum dimensions of production. They would make it possible to satisfy the interested countries' need for products of the highest quality given high labor productivity and minimum socially necessary outlays per unit product. Not only an individual enterprise but also a complex of pooled (in terms of units, parts and stages of the production engineering process) enterprises territorially remote from one another and located in different countries even, but united by concerted plans may be optimum.

Thus an increase in the power of the pressure vessel reactors for AES from 210 to 365 megawatts brings about a reduction in specific capital investments per megawatt of the order of 32-33 percent, while an increase to 1,000 megawatts would bring about a reduction of 42-48 percent. Prime costs per kilowatt-hour here are reduced 21-22 and 37 percent respectively. "Interelektro" specialists have computed that an increase in the production of electric engines from 80 to 8,000 will reduce unit expenditure on basic materials 24 percent, expenditure on wages more than 10-fold and electric engine prime costs 58 percent and will secure a 10-fold growth of labor productivity.

Small countries like the CSSR are not in a position to create many types of works of the optimum dimensions. For example, the Skoda Auto-Manufacturing Plant in Mlada Boleslav manufactures approximately 170,000 passenger cars a year. With the construction of the plant the city's population has doubled, and the situation concerning labor resources has become complicated. If the plant had to produce 600,000 passenger cars annually, which is now considered the lower boundary of the optimum production of an auto-assembly plant, new, even more complex problems would arise. For this a savings of capital investments as a

whole and per unit product in the CEMA countries could be achieved more often than not by way of efficient cooperation. International cooperation of production is leading to the coordination of the investments of the countries concerned.

A condition of the creation of production capacity of the optimum dimensions in the CEMA countries (apart from the USSR) is the manufacture of a narrower selection of products. In addition, a price per unit product lower or no higher than the price of an analogous product on world markets or at smaller enterprises must be ensured.

The development of component and unit specialization creates conditions conducive to concentration, the elimination of small-scale enterprises operating in parallel and the extensive dissemination of the most economically profitable types of production. It is being implemented within the framework of the evolved sectoral structure and makes it possible to use production capacity which already exists and thereby reduce outlays on the organization of a constantly renewable product range. It is this which is a principal goal of the CEMA countries' investment cooperation.

For the increased efficacy of investment cooperation particular significance is attached to the close interaction of all its participants both within the countries and within the CEMA framework. It is a question mainly of the regular interaction of the corresponding authorities and organizations in the preparation and implementation of individual projects ensuing from the joint long-term comprehensive cooperation programs. The investment measures incorporated in these programs should be specified constantly. At an early stage of the preparation of decisions the planning and sectoral authorities should initiate consultations on the projects.

Realization of this proposal presupposes a further expansion of intensive and regular cooperation between departments (of capital construction and reproduction of fixed capital, foreign economic relations, location of productive forces and regional development) of the central planning authorities and departments of the countries concerned on a bilateral and multilateral basis.

None of this precludes, however, discussion of the feasibility of most important facilities of coordinated types of processes within the framework of the CEMA Committee for Cooperation in the Sphere of Planning Activity and the CEMA standing commissions and their bodies. Questions requiring coordination within a country here should simultaneously be decided in the appropriate national management bodies.

The creation of an information system reflecting the process of preparation of individual investment projects would be advisable also. This system should proceed from an itemized determination of the spheres of joint interest broken down by sector and nature of construction and level of significance determined, for example, on the basis of the projects' estimated costs.

In addition, the process of the elaboration of measures pertaining to specific facilities should provide for the coordination of all stages of the investment cycle, including R&D layout, capital construction and the assimilation of capacity; the actions of the partner-organizations engaged in material-technical, financial and design support for the capital construction; the activity of the various CEMA bodies and national departments participating in the projects in the CEMA states and third countries; planning of the physical-material and cost aspects of the investments; and the corresponding contractual-legal and organizational forms of cooperation.

All this corresponds in full measure to the decision of the top-level CEMA Economic Conference that the extensive development of production cooperation and the establishment of direct relations between associations, enterprises and organizations is an important area of an improvement in the economic mechanism of cooperation and its increased efficiency. In the situation of the increased complexity of internal and external conditions of the reproduction of fixed capital the scientific substantiation of investment policy should be a function of the central state authorities, which will continue to play the decisive part in determination of the main directions of the development of the economy.

Together with a further refinement of the activity of authorities of the national economic and sectoral levels (in the investment sphere primarily at the time of elaboration of the long-term comprehensive cooperation programs and the adoption of decisions on the main measures) it is essential to enhance the role of the industrial organizations in the preparation and realization of decisions adopted at governmental or sectoral level and also in the establishment of direct relations between appropriate organizations.

It is essential to develop such relations primarily at the time of the layout and construction of specific facilities. It is necessary more often than not here to adopt prompt decisions precisely at the level of the immediate participants in the work. This is also important given cooperation in the reconstruction and modernization of production. The absence of direct relations at the direct executant level and the need to decide current production questions via the ministries as far as the central planning authorities are holding back the progress of investment cooperation.

At this stage of the development of the economy importance is attached to a stimulation of the industrial organizations by way of according them greater rights in the use of currency proceeds and the production development funds. The adoption of effective decisions pertaining to individual investment measures in the country requires a common approach to an evaluation of expenditure and also internal and external results. Whence the need to take account in the criteria of investment efficiency of the actual correlations between domestic and foreign prices and the formation of an economically justified currency exchange rate, a most important instrument of centralized management. In addition, tasks of socialist economic integration linked with the efficiency and conditions of realization of future production (with particular emphasis on the marketing of the products in the community countries) should be a criterion of the inclusion of individual facilities on the itemized list.

Effective decision-making in respect of individual investment undertakings with regard for the international division of labor requires the appropriate software. In particular, the need for comparison of the projected technical-economic parameters and profitability with analogous world indicators and also a comparison of expenditure and the results from the realization of capital investments without regard for or with regard for the international division of labor arises.

The expansion of financially autonomous principles for the organizations participating in the investment cooperation and the more substantiated determination of expenditure and results from the integration measures will contribute to an extension of interaction in the capital investments sphere.

The further refinement of the economic mechanisms of the planning and management of the investment process under the conditions of international socialist economic integration presupposes the coordinated nature or rapprochement of national economic plans in the sections concerning investment cooperation. This will make it possible on the one hand to plan and implement integration measures and, on the other, to make a comprehensive quantitative evaluation of the role and scale of the CEMA countries' investment cooperation.

An exchange of experience on questions of the planning, commodity-money and organizational-legal instruments of the control of capital construction and also the areas, methods, forms and terms of cooperation will also contribute to an improvement of the national mechanisms of the planning and management of the investment process.

At a friendly meeting of party and state leaders of the USSR and the CSSR on 31 May 1985 in Moscow agreement was reached on an expansion of the cooperation and specialization of production and a unification of efforts in the foremost areas of science, technology and engineering: "The adroit unification of the production and S&T potential of the USSR and the CSSR and other socialist CEMA countries will contribute to the plan-based growth of the national economies, fulfillment of the social programs outlined by the parties and disclosure of the creative possibilities of socialism."

Unification of the interested CEMA countries' material, labor, financial and S&T resources in the solution of their common national economic problems means, we believe, the development of their investment cooperation. "Without the closer unification of the forces and resources of our countries and the rapprochement of our economies," G. Husak observed in his speech at the dinner in the Kremlin Palace, "tackling new tasks, strengthening independence of capitalism and better satisfying our people's requirements is impossible."

Fulfillment of the measures of the Comprehensive Program of the CEMA Countries' S&T Progress up to the Year 2000 will require big expenditure. As the program observes, these countries "are paying special attention to providing the cooperation measures envisaged by the program with the necessary material and financial resources." Subprograms will be drawn up for this, in capital construction included. This corresponds fully to the requirements of the "Guidelines of the USSR's Economic and Social Development in 1986-1990 and the

Period Ending the Year 2000": "Undertake with the fraternal countries within the CEMA framework and bilaterally the coordination of economic and S&T policy for the purpose of the joint effective solution of large-scale problems in the spheres of science, technology, industry, agriculture, environmental conservation, transport, capital construction...."

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SPANISH POLITICAL DEVELOPMENTS SINCE FRANCO SURVEYED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 5, May 86 (signed to press 11 Apr 86) pp 95-101

[Article by I. Viktorov: "Spain--Decade of Change"]

[Excerpts] The dynamics of the political processes in Spain in the post-Franco period may be divided into two stages. At the first (1976-1982) political power belonged to the bourgeoisie, although was by turns in the hands of representatives of different groups thereof. The government of C. Arias Navarro--the first following the dictator's departure from the political scene--represented the most conservative circles of the bourgeoisie and pursued a policy of the preservation of "Francoism without Franco". A. Suarez, who replaced Navarro as premier, expressed the interests of pragmatic circles of big capital. While linking the country's future with Spain's entry into the economic and political organizations of West Europe they recognized that this goal could only be achieved given a modernization of the political system in accordance with the model of the West European states. The corresponding aims were expressed in a program of gradual, measured reforms, which had been formulated by the bourgeois Socialist Democratic Center (CDS), and following victory at the 1977 and 1979 parliamentary elections, they came to be implemented by the A. Suarez government which had been formed on the basis of the CDS. In a comparatively short time it dismantled the main Francoist institutions and legalized political parties, including the Spanish Communist Party [PCE], and the unions. Elements of greater independence and realism were manifested in Spain's foreign policy.

The adoption of a new constitution for the country was of exceptional importance for the break with Francoism and the consolidation of the foundations of the bourgeois-parliamentary system. The draft thereof, which had been drawn up with the participation of the leading political parties, was approved on 6 December 1978 at a nationwide referendum by 87.8 percent of those taking part in the poll.

The constitution defines the political form of the Spanish state as a parliamentary monarchy. The head of state is King Juan Carlos I, whose powers include the convening and dissolution of the Cortes and the appointment of the premier. He is also entrusted with the functions of commander in chief of the country's armed forces.

The leading role in the system of organs of state power belongs to the government. It determines the main directions of Spain's domestic and foreign policy.

The significance of the parliament--the Cortes Generales--has grown markedly. It is entrusted, *inter alia*, with a considerable part of the work on the updating of the entire code of Francoist legislation. Control of government activity has become a new prerogative of the Cortes.

The constitution proclaims the democratic coexistence within the framework of the laws of all citizens and peoples of Spain. Fundamental importance is attached to the constitutional enshrinement of the right to assembly and association and to participation in social affairs. At the same time some of the rights enshrined in the new constitution--to work and social security--are of an ostentatious nature inasmuch as their practical realization is not guaranteed by the state.

The constitution is supported by the overwhelming majority of the population, the political parties and the trade unions, who see it as the embodiment of the democratic changes which have taken place in the country. At the same time these changes caused undisguised alarm among the conservative part of the bourgeoisie and the army top brass, who saw in them the prospect of the country's "leftward" turn dangerous to their class and corporative interests. On 23 February 1981 reactionary army circles with the support of the employers attempted a coup d'etat for the purpose of restoring Francoist orders in the country. The rebels captured the building of the Cortes--the organ of people's representation. In this difficult and dramatic situation King Juan Carlos I, displaying considerable coolness and firmness, appealed to the commander of the military districts to remain loyal to the constitution, which contributed in large measure to the collapse of the attempted coup d'etat.

Nonetheless, despite the unsuccessful outcome of the rebellion, conservative circles succeeded in seizing the political initiative for a time. The center-right L. Calvo Sotelo government which had assumed office applied the brakes to the process of implementation of bourgeois-democratic transformations. Spain's foreign policy acquired a more clearly expressed pro-Atlantic focus; in May 1982 Spain joined NATO's political organization.

The second stage began with the assumption of office as a result of victory at the special parliamentary elections of 28 October 1982 of the Spanish Socialist Workers Party (PSOE). For the first time in almost half a century the country's government was formed by forces of the left. The socialist cabinet headed by F. Gonzalez took further steps on the path of "settling with the past". In particular, a number of measures was implemented aimed at a rebuilding and certain democratization of the armed forces, and a reform of the state-administrative machinery was begun.

Thus in a comparatively short time not only a decisive break with the Francoist past had occurred in Spain but a developed bourgeois-democratic system based on the principle of political pluralism enshrined in the constitution was formed.

Dozens of parties representing the interests of different classes and strata of Spanish society are operating in the country. But only a few of them really participate in the struggle for power. In addition, a trend toward a growth of the influence of two parties has been discerned increasingly clearly recently.

The most organized and influential political force is the PSOE. Over 10 million of the electorate (48.4 percent) voted for it at the 1982 elections. The PSOE has an absolute majority in the Congress of Deputies (202 of 350 seats) and the Senate, which ensures for the socialist government the necessary reserve of strength for pursuing its outlined policy. Together with the predominant position nationally the socialists have strong positions at the regional and local levels: PSOE representatives head the municipalities of administrative centers in 40 of the country's 52 provinces.

A wide spectrum of social groups--from the urban and rural proletariat through the students, part of the intelligentsia and even the petty bourgeoisie--constitutes the base of PSOE support. So motley a social composition determines a certain duality of the socialists' ideological principles. On the one hand the PSOE acts as the party of the working people, on the other, it allows of eclecticism in the sphere of ideology. Thus a special PSOE congress (September 1979) decreed the exclusion from the description of the party of the definition "Marxist". The decisions of the 30th congress (1984) reflected a further increase in moderate emphases in the party directives, which are being seen as the leadership's endeavor to win over to it on the threshold of the elections scheduled for 1986 as broad a contingent of the electorate as possible.

The PSOE's main political rival is the conservative Popular Alliance, which expresses the interests of big capital. Taking advantage of considerable financial possibilities and a propaganda machine, the Popular Alliance is attempting to broaden its electoral base (it obtained 26 percent of the vote at the 1982 elections). However, as public opinion polls show, without success as yet. The political strategy of the alliance, which is putting forward the slogan of the creation of a "natural majority," is oriented toward the cobbling together of a broad front of persons unhappy and disenchanted with government policy.

A complex situation has arisen on the left flank. The PCE, which made a decisive contribution to the antifascist movement and the struggle for democratic change in the post-Franco period, is experiencing a serious crisis. The reasons for this crisis lie in the "Eurocommunist" course of the PCE leadership. The Communist Party of the Spanish Peoples, which operates on the principles of Marxism-Leninism and proletarian internationalism, was formed in January 1984. The split in the communist movement is undoubtedly weakening the country's forces of the left.

Following the self-dissolution of the CDS former ruling party, there has been an exacerbation of the struggle for the political space called the "center" which is being conducted by several parties, including the recently formed reformist party. Its appearance reflects in all probability the endeavor of certain political circles to create a centrist party, possibly a coalition, capable of independently or in alliance with the Popular Alliance pressing the PSOE.

It is now difficult to imagine the country's sociopolitical life without a strong trade union movement. The most populous organizations are the Workers Commissions Trade Union Confederation (WCTUC), which is under the predominant influence of the PCE, and the General Union of Workers (UGT), which is oriented toward the Socialist Party. The disagreements between the WCTUC and the UGT, which also reflect the rivalry between communists and socialists for influence in the working class, concern predominantly tactical questions of leadership of the working people's struggle.

The workers movement has passed through several stages in the post-Franco decade. The first years, which were marked by the high intensity of the class, primarily strike, struggle, were replaced by a period of decline therein. It was caused by the fact that under the conditions of an unprecedented growth of unemployment many working people prefer a lowering of the living standard than to lose their jobs. However, as of 1984 the strike movement has strengthened once again. The immediate adoption of measures to combat unemployment has become the working people's main demand.

As a result of long stubborn struggle the Spanish working class succeeded in achieving an appreciable improvement in its legal position. Thus the working people's right to free association in trade unions and to strike was enshrined in the constitution. A number of important gains, including the right to conduct worker assemblies and broader guarantees to the workers' representatives, has been enshrined in the Workers Charter. One of the first acts of the socialist government just after assuming office was a decision on increased leave and a reduction in the work week. At the same time the growing unemployment and inflation are largely devaluing these social gains, which is creating the prerequisites for a growth of the class struggle.

The reorganization of the country's administrative-territorial structure was an integral part of the democratic renewal. Despite the bitter opposition of the Popular Alliance, the democratic forces succeeded in enshrining in the constitution a provision concerning "the right to autonomy for the nationalities and regions" constituting Spain. Autonomy status had been drawn up for three historic provinces--Catalonia, the Basque country and Galicia--back when the bourgeois governments were in office. The regional elections which were held here afforded an opportunity for the above provinces to form their own organs of power--a government and parliament. The autonomization process was further developed with the socialists' assumption of office. Elections were held in May 1983 in other regions which had expressed a desire for autonomy.

Currently regional organs of power exist in 17 regions. In three of them, including Galicia, the leading political force is the Popular Alliance. Parties of the haute bourgeoisie are in power in Catalonia and the Basque country (Convergence and Unity in the first, the Basque Nationalist Party in the second). In the remaining 12 regions, where approximately two-thirds of the country's population lives, the organs of autonomous self-government are headed by the PSOE.

The creation of the structure of regional self-government ended an important stage in the solution of the national-regional problem. On the agenda now is the question of the central government's transfer to the organs of regional authority of the powers in the sphere of administration envisaged by article 148 of the constitution, which, it is believed, will take a considerable amount of time.

The democratic changes have contributed to a pronounced improvement in the moral-psychological climate in the country. Such concepts as national dignity and pride, which for a long time had an abstract ring, have acquired real meaning. A kind of renaissance is being observed in cultural life. The work of J. Gilyen, D. Alonzo and R. Alberti may serve as an example. Many new striking talents have appeared (A. Carvajal, G. Montero, A. Rosetti, C. Hanes). The tradition of literary prizes has been revived. Special efforts to restore cultural traditions which were consigned to oblivion in the times of Francoism are being made in the municipalities led by the socialists and communists. Graphic testimony to this is the activity of the capital's municipality headed by now deceased E. Tierno Galvan. A prominent representative of the best part of the Spanish intelligentsia, he was deprived by the Francoists of the right to teach and worked outside of the country. In the post-Franco period Tierno became a leader of the PSOE and as of 1979 headed the capital's municipality. The important decision concerning the return to more than 100 of the capital's streets of their former names was adopted on his initiative. The municipality is doing much to revive the traditional Spanish zarzuela operetta, popular open-air festivals and such. Madrid's ties along city-twinning lines, with Moscow included, have been established.

The most difficult problems which the country is encountering are being perceived particularly keenly against the background of the cardinal changes which have affected all spheres of social life. In addition, new ones have been added to those inherited from the Franco period. Among them the most complex and dangerous from the viewpoint of political consequences is that of unemployment. It has assumed a static nature and now encompasses 3 million persons, that is, 22 percent of the able-bodied population.

There has been a marked exacerbation of the problem of terrorism, which plays the part of a permanent destabilizing factor which is highly dangerous for the as yet infirm Spanish democracy. Neither has such an acute problem for Spain as democratization of the army been fully solved. A considerable proportion of the officer corps is made up of those who began their service back at the time of the Franco regime. The educational programs in the military schools and academies, which have remained unchanged since the times of the dictatorship, have not yet been updated, which is also contributing to the preservation in certain circles of the armed forces of antidemocratic views and sentiments.

The process of democratic renewal has had an impact on the rebuilding of the social consciousness and contributed to a change in ordinary Spaniards' ideas about the country's role in the world and to recognition of the fact that it could be an equal and active member of the international community. In the course of the first foreign policy debate in the post-Franco period (September 1977) deputies from the parties of the left and also certain regional parties emphasized the need for Spain to pursue a more independent policy and advocated the development of relations with all countries, socialist included, based on equality and mutual benefit. Under the new conditions the ruling circles can no longer ignore, as was the case in the past, the public mood and have been forced to take it into consideration to a certain extent when shaping the foreign policy course.

Spain's contribution to the successful conclusion of the Madrid meeting, which was mentioned by many states, contributed to a further rise in the country's international prestige.

An important act imparting greater stability and balance to Spain's foreign policy was the establishment in 1977 of diplomatic relations with the Soviet Union and other socialist countries. This step was followed by a visit to the USSR by Spanish Foreign Minister M. Oreja (January 1979) and a return visit to Madrid by A. A. Gromyko (November 1979). Bilateral trade-economic relations have enjoyed pronounced development, and cooperation in the sphere of culture and sport has begun to gather pace. A contractual base for Soviet-Spanish relations was laid with the signing of the first agreements on cultural and scientific and also S&T cooperation. As a whole, however, the volume of Soviet-Spanish relations in the period 1977-1982 lagged markedly behind the level of relations which has taken shape between the Soviet Union and the majority of West European states.

With the assumption of office of the socialist government relations between the USSR and Spain rose to a higher level of development and became deeper and more diverse. The exchange of high-level visits has become more frequent. A big event in the history not only of Soviet-Spanish but also Russian-Spanish relations was the visit to Moscow in May 1984 of the head of the Spanish state, King Juan Carlos I, and the negotiations with Soviet leaders.

The meeting in Moscow of M. S. Gorbachev, general secretary of the CPSU Central Committee, and Spanish Premier F. Gonzalez (March 1985) lent new impetus to the political dialogue. Confirming the accords arrived at earlier, the sides advocated the further development of cooperation between the USSR and Spain, including political contacts and consultations. The readiness of the USSR and Spain to promote a stimulation of efforts aimed at a halt to the arms race in the world and its prevention in space, removal of the threat of nuclear war and the restoration of the policy of relaxation of international tension was confirmed.

Trade-economic relations between the two states have acquired a more stable character. The conclusion in February 1984 of a Soviet-Spanish agreement on economic and industrial cooperation for a 10-year period has contributed to this to a large extent. The imparting of a long-term basis to trade-economic relations was not long in producing positive results. In 1984 commodity turnover constituted approximately R640 million, which was almost double the level of 1982--the final year in office of the bourgeois government.

The broadening of the contractual basis of Soviet-Spanish relations attests the ongoing nature of their development. In the first 30 months in office of the socialist government more than 20 agreements and protocols were signed by the USSR and Spain. At the present stage of their development Soviet-Spanish relations are a notable factor not only in European but also world politics.

Particular significance for Spain is attached to its relations with the FEC and NATO.

The following example is indicative in this connection. On an official visit to Bonn, in May 1983 Premier F. Gonzalez stated his "understanding" of the plans to deploy American first-strike nuclear weapons in West Europe. This statement by the head of government brought about sharp criticism on the part of the PCE, the unions, numerous social organizations and ordinary citizens. Considering the Spanish public's negative reaction, the official position on the "missile" question was corrected. The import of the clarifications which followed at official level amounted to the fact that Spain did not take part in the NATO Council session (1979) and therefore does not feel itself bound by the "twin" decision adopted thereat.

Madrid adopted a far more definite position on such a question directly affecting the interests of national security as the presence of American nuclear weapons on Spanish soil. At the time of the conclusion of a friendship and cooperation treaty with the United States (1976) the first post-Franco government obtained from Washington a promise of the withdrawal of nuclear weapons from Spain. An important step for consolidation of the nuclear-free status was a resolution approved by the Cortes (fall of 1981) banning the deployment of nuclear weapons on the country's territory. Responding to reports which had appeared in the press concerning the existence of a secret Pentagon memorandum providing "in special circumstances" for nuclear weapons to be imported into Spain, F. Gonzalez made an important statement in February 1985 according to which there will be no nuclear weapons on Spanish soil as long as he is premier.

Also evidence of Madrid's increased independence on the international scene was the establishment of contacts with the nonaligned movement and also Spain's participation as an invited country in the meetings of the heads of state and government of nonaligned countries in Havana (1979) and Delhi (1983). Spain was the first West European state to consent to contacts with the PLO and granted the PLO an opportunity to open an office in Madrid. Despite pressure from Washington, former premier A. Suarez was again the first West European statesman to pay an official visit to Cuba and invite F. Castro to visit Spain.

In conjunction with a number of other countries in June 1985 Spain called for confirmation of adherence to the fundamental principles of the United Nations. Madrid's participation in this important initiative attested its endeavor to play not simply an active but also pioneering part to a certain extent in international efforts aimed at strengthening peace.

The extension of the sphere of its international contacts has been important for strengthening the country's independence on the world scene. The restoration in full of relations with Mexico and the development of mutually profitable trade-economic relations with it has contributed, among other factors, to a growth of Spain's authority in Latin America. There has been a marked improvement in Madrid's relations with the small and neutral countries of West Europe.

Evidence of growing authority in the world has been the convening in Madrid of representative international forums, including the meeting of representatives of the participants in the Conference on Security and Cooperation in Europe.

In the summer of 1985 the EEC approved Spain and Portugal's entry into the Common Market. Both states became official members of the community on 1 January 1986.

Madrid's interest in association with the EEC was brought about by both socioeconomic and political considerations. At the start of the 1980's the Common Market countries accounted for approximately half of Spain's exports, and over 500,000 Spanish emigres worked here. From the political viewpoint membership of the EEC was seen as a factor of the strengthening of internal stability and a lessening of the danger of new sallies by the reactionary soldiery.

Now, however, the Spanish public is asking itself increasingly often whether participation in the Common Market will result as a consequence of Spain's insufficient competitiveness in the mass ruin of many producers and an accompanying increase in unemployment. Possible political consequences of association with the EEC are giving rise to concern also.

Even more serious questions are being raised by Spain's participation in NATO. Contrary to the election indications, the 30th PSOE Congress (1984) adopted a decision on the country's continued membership of NATO (but without participation in the bloc's military organization). This decision was sharply criticized by broad strata of the public. After hesitating, the government announced in the current situation that it would put the question of Spain's membership of NATO to a national referendum. A mass anti-NATO campaign unfolded in the country, in the course of which an antiwar movement which was one of the most active in the West and broad in terms of political composition took shape. The government and pro-NATO circles counterposed to this a concentrated political offensive all along the line.

The referendum was held on 12 March. The result of the voting was 52.5 percent in favor of Spain's continued participation in NATO's political organization, 39.8 percent in favor of withdrawal from the bloc.

Commenting on the results of the referendum, the democratic press observed that the pro-Atlantic circles had at their disposal a powerful propaganda machinery for putting pressure on ordinary Spaniards. In particular, on the eve of the poll the presidents of eight banks delivered a statement in which they predicted the inevitable growth of economic disorders, primarily unemployment, in the event of a victory for the supporters of the country's withdrawal from NATO. Playing on the recollections of the attempted coup d'etat still present in the minds of many Spaniards, the Atlantists also emphasized the fact that the possible government defeat and the government crisis which would be inevitable in such an event would prompt reactionary circles of the army top brass to a new protest against democracy.

Nonetheless, although the supporters of Spain's continued membership in NATO achieved a favorable outcome of the poll, their success was highly relative--approximately 7 million Spaniards (almost 40 percent of those who participated in the referendum) opposed ties to the Atlantic alliance. Under the impact of the mass anti-NATO movement which had spread in the country the government was forced to promise even prior to the referendum that it would refrain from joining the bloc's military organization and also would endeavor to preserve the nuclear-free status and reduce the United States' military presence in Spain.

Merely the fact that a national referendum was held on such an important political issue (Spain is the first NATO member, incidentally, in which such a referendum has been held) testifies to the profound democratic changes which have occurred in the country since the departure from the political proscenium of the ominous figure of the caudillo. The country's entire appearance has been transformed in the decade which has elapsed since then. Spain has taken its place in the international community and begun to perform a pronounced role in European and world affairs. Undoubtedly, the country's independent foreign policy course could contribute to the solution of many of the problems confronting the European continent and the world as a whole.

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USA INSTITUTE BOOK ON U.S. FOREIGN POLICY REVIEWED

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[V. Gantman review: "Fundamental Study"]

[Text] The world conditions which have arisen since the war have introduced new and extraordinary features to the mechanism of the influence of the capitalist powers' foreign policy activity on the system of international relations. The "American phenomenon" requires particularly thoughtful and careful study. Under the conditions of the postwar world U.S. foreign policy has had a role without precedent in the history of capitalism. In the destiny of the capitalist world and the determination of its place in the system of international relations the United States has been for many objective and subjective reasons the organizing nucleus, as it were, has assumed leadership and has to a certain extent changed the very nature of interimperialist rivalry and cooperation.

Of course, in the 40-plus years which have elapsed since the end of WWII this role has been performed far from uniformly. The era completing our tempestuous century will probably bring American foreign policy its difficulties and trials and confront it with the need to revise many forms and methods.

However, the United States--with all the real historical changes and adjustments--has exerted, is exerting and in all probability will continue to exert a very appreciable and, if we take the capitalist system as a whole, diverse influence on international relations. A scientific analysis of this state's foreign policy does not lose but rather increases its relevance when we endeavor to solve the most painful questions of international security, ponder the problem of the survival of human civilization and attempt in all seriousness to rid ourselves of the race in all types of arms, including the aggressive space plans being developed by Washington.

It is difficult to name a more complex and crucial task under conditions where the United States is moving toward a new level of acceleration of its socioeconomic development than the formulation and solution in theoretical and practical aspects of problems of Soviet-American relations. This requires

a clear idea of the United States' postwar foreign policy in all its ramifications and historical dynamics and prospects. Hitherto, however, our literature has lacked a comprehensive multilevel study, one conducted not simply on a factological but on a truly theoretical-cognitive level the more so.

It is gratifying that such an analysis has been made by a highly professional group of leading associates of the USSR Academy of Sciences United States and Canada Institute, who have set forth in concentrated form the accumulated experience of the now long-standing historical, economic and political monographical studies which have been conducted here. The fundamental two-volume work* on the United States' foreign policy (edited by G.A. Arbatov, Yu.P. Davydov, V.V. Zhurkin, A.K. Kislov, V.A. Kremen'yuk, V.P. Lukin, V.F. Petrovskiy, P.T. Podlesnyy, G.A. Trofimenko) was an event in national American studies and historical science in general.

The Soviet scholars were able to tie together the deep-lying class sources of Washington's foreign policy, the driving forces influencing in practice the process of its elaboration and implementation, the general long-term strategy of American imperialism, foreign policy interests and goals, tactics and specific plans and the ideological-doctrinal structure. The "slice" of U.S. foreign policy made in the work presupposes in-depth penetration of the system of ideological and political approaches, traditions and settled stereotypes of the ruling elite, "middle class" and various social groupings and organizations, particularly the "New Right" and "neoconservatives". This has imparted to the monograph a firm Marxist-Leninist theoretical-methodological basis, an organic character and precise logical structure and persuasiveness and conclusiveness of the opinions and conclusions.

The book subjects to particularly close scrutiny the role of American foreign policy in the process of the relaxation of international tension in the period of the 1960's-1980's. The authors do not look for simplistic answers thrown into relief by the current situation either to the questions of the reasons for the participation in this process of the Republican administration of R. Nixon or to the question concerning the underlying reasons for the departure therefrom (primarily in the sphere of Soviet-American relations) of U.S. ruling circles as of the mid-1970's and, particularly, its disruption by the rightwing Republican administration at the junction of the 1970's-1980's. They endeavor to reveal the complexity and contradictoriness of objective conditions, the position of the ruling elite, the "wave of the right"--in short, everything which determined Washington's foreign policy line in these years. The monograph at the same time shows the long-term significance of such components of American foreign policy as anticommunism, anti-Sovietism, messianism, chauvinism and globalism. These components did not disappear in the period of the development of detente and were manifested in specific forms.

* "Sovremennaya vneshnyaya politika SShA" [Contemporary U.S. Foreign Policy], in two volumes, Moscow, Izdatel'stvo "Nauka," 1984, vol I p 462, vol II p 479.

At the same time it has to be emphasized that a one-sided approach to an evaluation of the driving forces of the United States' foreign policy would deprive Soviet specialists of a truly scientific base and would lead to their being divorced from reality. The creators of the fundamental work in question have avoided distortion in the portrayal of the actual process of the struggle of different forces within the United States, in the ruling class itself included, around questions of detente.

As life has confirmed, Soviet-American relations cannot be sacrificed to the anti-Sovietism of this Washington administration or the other. The study conducted in the United States and Canada Institute is also interesting in that the prospect of an improvement in these relations even under the most difficult conditions may be seen constantly therein. Its possibility is confirmed by the analysis made by the authors of the problem of the strategic balance, observance of the principle of equality and equal security and the two countries' cooperation and, primarily, recognition of the impossibility of recourse to nuclear weapons for the achievement of this political goal or the other. Space-based weapons are incapable of safeguarding U.S. security and unilaterally putting the security of the USSR to the test. The illusory nature of such calculations is now obvious.

The work in question logically leads the reader to an evaluation of the continuing prospects of a return to detente in the sphere of Soviet-American relations. We would note in this connection that the significance of the Geneva meeting can be perceived distinctly in the context of the book.

However difficult the path toward new thinking in international relations and however much certain leading figures may cling to their customary "from-a-position-of-strength" policy, they cannot ignore the objective need for an improvement in Soviet-American relations and the irreversibility of constructive dialogue between states. The Geneva meeting confirmed that mutual interests demand this and that such a path has not been closed if there is good will for progress in the given direction presupposing compromise decisions with regard in the dialogue for the interests of the security of each side.

The viability and profitability of each scientific study is determined by how it corresponds to reality. The monograph in question adequately reflects the international realities of the mid-1980's and is distinguished by an in-depth analysis of the present stage of the development of international relations and a sober and considered approach to an evaluation of their prospects. The authors' success is determined by the substantial factual material, which is studied and interpreted in accordance with their precisely developed scientific concept; one of its principal propositions is the narrowing of the actual possibilities of the United States and its foreign policy based on the postulates of force.

The two-volume work of scholars of the USSR Academy of Sciences United States and Canada Institute is a serious contribution to Marxist-Leninist theory of international relations. It bears the imprint of new thinking and a new approach to world politics.

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BOOK ON 'ANTICOMMUNIST IDEOLOGY' REVIEWED

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[Yu. Osetrov review: "Struggle of Ideas: Attempts at 'Social Revanche'"]

[Text] In the work in question* anticommunism is seen not simply as propaganda, to which it is still frequently reduced, but as activity of the bourgeoisie aimed at struggle against the theory and practice of socialism, in all its forms. Such a broad approach makes it necessary to keep in the field of vision problems of philosophy, sociology, propaganda and policy, examine topical questions of international life and so forth. The author copes by and large with this complex task.

In setting forth the basic theoretical constructions of anticommunism the scholar dwells primarily on anti-Marxism. The essence of the latter is an attempt either to discredit the very basis of the socialist world outlook or "correct" it such that it cease to serve as a guide to revolutionary action. There are, correspondingly, two basic types of anti-Marxism proper and pseudo-Marxism. S. Popov observes that the representatives of both varieties of the pseudo-science logically combine at every step knowledge of the subject with an astoundingly low level of "research". "Some of them may be considered first-rate connoisseurs of Marxist literature, both classical and modern. But the social aims, general program and goals of these Marxological studies predetermine their overall level and result. As a whole they stand beyond the bounds of science, this is the very least that may be said of them" (p 28).

Working particularly actively currently in the field of the ideological struggle are pseudo-Marxists pretending to a liking for Marxism and fidelity to it even, but at the same time to "bringing it into line with the times" such that it is converted from the militant proletarian into bourgeois-reformist ideology. Such a diversionary method is currently highly popular in the West, and the book discusses this. It would seem, however, that a critical analysis of the constructions of pseudo-Marxists of all varieties could have occupied a larger place therein if it is considered how vigorously various "neo-Marxist" propositions are being puffed up today.

* S.I. Popov, "Antikommunizm--ideologiya i politika imperializma"
[Anticommunism--Ideology and Policy of Imperialism], Moscow, Izdatelstvo politicheskoy literatury, 1985, p 335.

One reads with interest the chapter which deals with the theoretical aspect of "social revanche"--the reactionary policy of a number of imperialist states which sets as the goal a change in favor of the bourgeoisie in the correlation of class forces. This policy is now serving as a subject of the attentive study of our science, and not all sources and roots of this phenomenon have been sufficiently elucidated. Arguments are under way concerning the degree of its stability and its prospects. The author of the book in question himself believes that the theoretical constructions of the ideologists of "social revanche" embody a process of re-ideologization. This means, he believes, that the bourgeoisie is attempting to arm itself with a new aggressive ideology in place of the former conceptual constructions which have been defeated and cast aside by the course of historical development. Truly, the crisis of bourgeois ideology of recent decades has resulted for the exploiter class in big and real losses on a world scale. In advancing to the ideological fore a somewhat renovated conservatism, which is serving as the ideological basis of "social revanche," reactionary circles are endeavoring to find new ground in the ideological and political engagement with their social enemies (pp 107-110). And, furthermore, as S. Popov shows, it is a question not of some new creative effort of the bourgeoisie but of the use of old conservative postulates somewhat modified to create an impression of ideological novelty. The fact that at difficult times the ruling class can find no way out other than to turn to ideological equipment which has already been used and was at one time even rejected as defective in many bourgeois circles (the decline in the authority of conservatism was an actual fact of ideological life of the West in the 1950's-1960's) speaks eloquently about the crisis of bourgeois social thought.

A big chapter is devoted to psychological warfare--intensive and large-scale diversionary activity of imperialism. It has been the subject of a multitude of studies in our scientific-political literature, but no additional contribution to the exposure of its means and methods can be superfluous, of course. The more so in that this case the author adduces a number of interesting pieces of information capable of enriching our counterpropaganda arsenal. Among them are, for example, the pronouncements of American specialists on psychological warfare setting forth the true purposes of their activity with unusual candor (pp 183-185). It is also useful for the reader to acquaint himself with the vast, subtle "kitchen" of psychological warfare, at whose service all the achievements of modern science, psychology included, have been put.

The appearance in this chapter of the "Bourgeois 'Mass Culture' and Anticommunism" section is legitimate, we believe. Indeed, we are witness to how imperialism incorporates culture also among the diversionary weapons in the struggle against socialism. More precisely, not culture, of course, but vulgar imitations of such. And this is, perhaps, a most dangerous front of psychological warfare. For here the presence of subversive designs and calculations is concealed and bourgeois ideology is spread imperceptibly, in the guise of introduction to "culture" for the purpose of first arousing admiration for it as such and then of the society in which it is created.

The question of human rights is highlighted in a separate chapter. It could, of course, be studied where psychological warfare is dealt with, but its separation would seem logical also. The subject of "human rights" currently

occupies an important place in the ideological struggle and serves as a subject of the persistent falsifications of anti-Soviet propaganda. Speculating on this question, reactionary, imperialist circles endeavor in this way to conceal their disregard for the elementary rights of the working people and the people's vital interests. They have recently unleashed a wide-ranging campaign against the socialist countries and the national liberation and other progressive movements whose purpose is to justify the policy of confrontation and arms race, the flouting of the independence of various states, interference in their internal affairs, complication of the conditions of their economic development and the countering of the detente process. With the attacks on real socialism and the spread of assertions concerning "human rights violations" in the USSR and other socialist countries bourgeois propagandists would like no more, no less than to create in broad public circles an atmosphere of hatred toward the new world and, relying thereon, to continue the "cold war".

The final chapter "Problems of War and Peace in the Current Ideological-Political Struggle" is simultaneously also the culmination of the entire exposition. The most cardinal problem--socialism's ideological battle against imperialism on the question of the continued existence of human civilization--is examined. In no other area of the ideological struggle is the humane essence of the progressive social system contrasted so convincingly with the inhumanity of capitalism. To the militarist hysteria fanned by reactionary Western circles is counterposed the purposeful "peace offensive" of socialism--its constant struggle by word and deed for a secure future for mankind. The book emphasizes that militarism not only expresses the essence of imperialism but also--the further it goes, the more so--serves as a means of counteracting the peaceful successes of the socialist social system. There is a highly pertinent quotation from the American ideologist V. Schlamm, who says plainly in his work "Limits of the Miracle" that socialism is thriving under conditions of peace and that this can only be stopped by military means (pp 286-287).

Of course, not everything that could have been said in connection with the subject of anticommunism has been reflected in the work, and achieving an exhaustive exposition within the bounds of a single monograph is hardly possible. But what we find in the book is sufficient for it to be evaluated as useful and relevant.

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